THE ROAD TO HOME

YOUR PATH TO SUCCESSFULLY BUYING YOUR DREAM HOME

LUIS ALVARADO
REALTOR®

Buying a home is a big move, and I’m committed to making it clear, strategic, and aligned with your goals. I’ll guide you with honesty, strong negotiation, and a personalized plan so you can move forward with confidence.

I'M LUIS ALVARADO

YOUR LOCAL REAL ESTATE ADVISOR

Born and raised in San Diego and a proud San Diego State University alum, I know this city inside and out and love helping people call it home. With over a decade in real estate, I've worked across the industry — from lending to homeownership advising and guiding first-time buyers. I'm committed to providing honest, clear guidance every step of the way. I bring a competitive edge from my days as a Division 1 soccer athlete, which drives me to advocate fiercely for my clients and deliver results. My approach is personal, strategic, and focused on your goals, so every decision feels confident. Whether you're a seasoned buyer or purchasing your first home, my goal is to make your experience enjoyable and successful. Let's work together to find the home that matches your aspirations.

Real Estate *Buying* Process

Buyer Agency Agreement:
Meet your agent & sign agreement

Pre-Approval:
Buyer gets pre-approved for a loan if needed

Begin Your Search:
Find your dream home

Offer:
Buyer submits an offer

Seller Purchase Negotiation:
Seller receives and reviews offer. Seller can accept, counter, or deny the offer

Buyer Purchase Negotiation:
If seller counters, the buyer reviews and can accept, counter, or deny the offer

Process can continue until there is an agreement or withdrawal

Under Contract:
Buyer & seller agree on price and terms and sign the sales agreement

Inspection Period:
Buyer schedules a professional inspection within 10 days

Inspection Contingencies:
Resolve any issues from inspections

Earnest Deposit:
Buyer submits earnest money to title/escrow

Appraisal:
The buyer's lender orders an appraisal for the loan

Appraisal Gap Negotiation:
If an appraisal is low, the seller & buyer may need to renegotiate price or repairs.

Obtain Home Insurance:
Buyer shops for & secures homeowners insurance

Loan Underwriting:
The loan application is submitted and processed

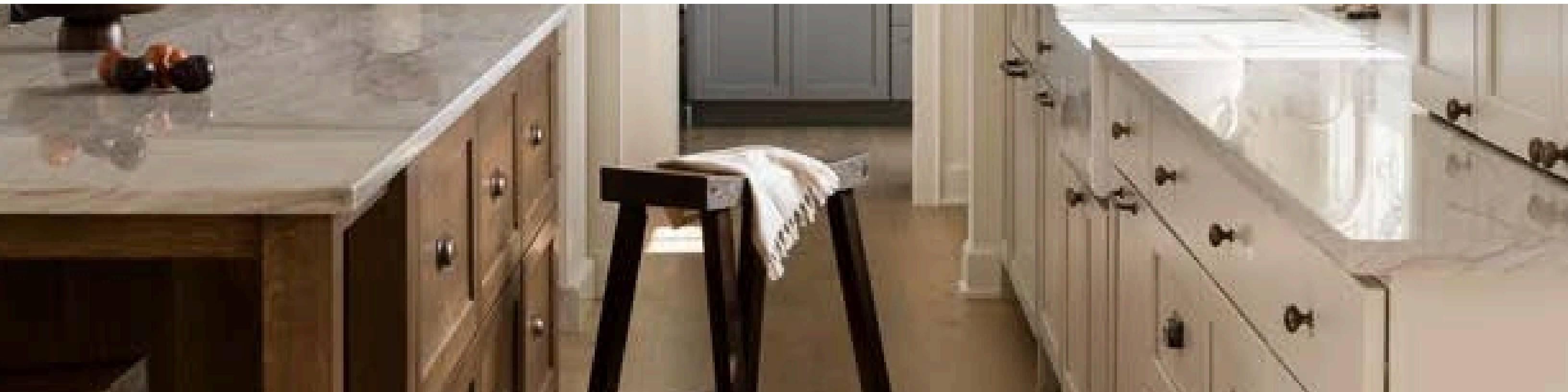
Title Search:
Title company performs a title search to ensure seller's ownership

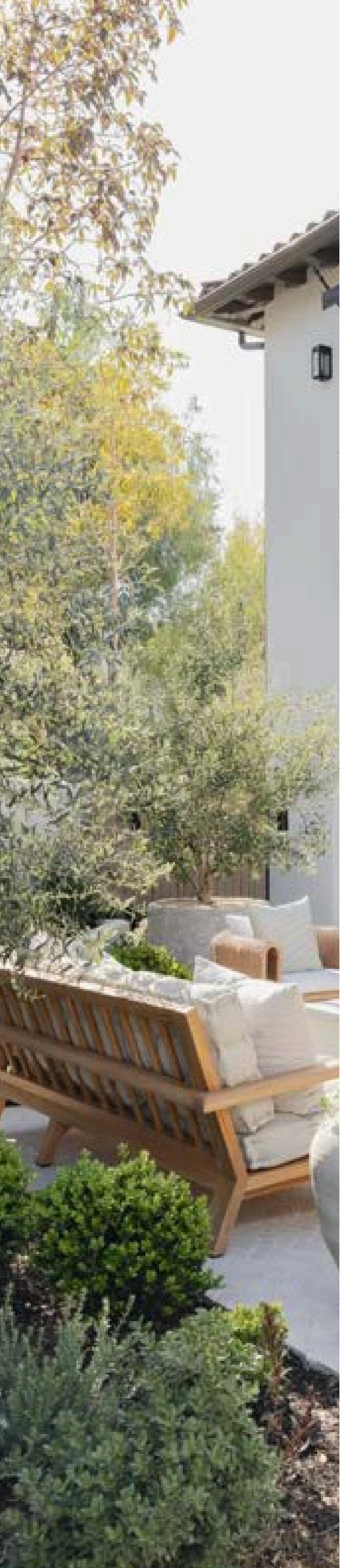
Contingency Removal:
All agreed conditions (financing, inspection, appraisal, etc.) are met and cleared

Closing Docs Issued:
Buyer receives final loan documents and costs from the lender

Final Walkthrough:
Buyer inspects the home before closing.

Closing:
All papers are signed, funds are exchanged, and buyer receives the keys





Ten Steps *To Home*

SIMPLIFYING THE JOURNEY

01

Consultation & Sign Agreement

We'll start with a consultation to understand your needs and goals. Then, we'll sign a Buyer's Agent Agreement, officially starting our collaboration and outlining how I'll represent your best interests.

02

Secure Financial Pre-Approval

Getting pre-approved for a mortgage is crucial. This step defines your budget, shows sellers you're a serious buyer, and gives you confidence during your search.

03

Define Your Dream Home

Let's talk specifics! We'll detail your must-haves, preferences for location, size, style, and features to create a targeted search profile for your ideal property.

04

Search for Properties

Using your criteria, I'll actively search the market, leveraging MLS access, network connections, and even off-market opportunities to find homes that fit your needs. You'll receive personalized alerts for new listings.

Ten Steps *To Home*

SIMPLIFYING THE JOURNEY

05

View and Evaluate Properties

Time to explore! We'll schedule showings for promising properties, allowing you to experience them firsthand, ask questions, and evaluate their potential to be your future home.

06

Craft a Competitive Offer:

Once you've found the right home, I'll provide market insights and guide you in structuring a strong, attractive offer designed to appeal to the seller while meeting your goals.

07

Negotiate Effectively:

Offer submitted! I'll use my negotiation skills to communicate with the seller's agent, working to reach a mutually agreeable price and terms that protect your interests.

08

Secure Financing & Lock Rate:

With an accepted offer, you'll work with your lender to finalize your mortgage application, submit required documents, and lock in your interest rate.

09

Conduct Due Diligence:

Protect your investment! We'll coordinate essential steps like the home inspection and property appraisal to assess the home's condition and confirm its value.

10

Close the Deal & Get Your Keys!

The final step! I'll guide you through the closing process, reviewing documents, coordinating with the title company, and ensuring everything is in order for you to receive the keys to your brand new home!

Buying *Consultation*

IT'S ALL ABOUT YOU

This first meeting is all about understanding your needs and concerns as a buyer. If you've thought about your priorities beforehand, it will help us get started effectively. I'll also provide you with valuable market insights to guide your search.

DURING OUR CONSULTATION, I WILL:

- Understand your home buying goals, timeline, and any concerns so we're completely on the same page.
- Share my market knowledge, explain the buying process step-by-step, and answer all your questions.
- Outline how we'll approach your property search, including the types of properties we'll look at and how we'll stay informed of new listings.

TO MAKE THE MOST OF OUR TIME, PLEASE THINK ABOUT:

- Your ideal moving timeline: Are you looking to buy quickly or do you have more flexibility?
- Your financial parameters: What's your budget and what are your financing pre-approval details?
- Any concerns about the buying process or specific neighborhoods: Jot down any questions you have.

BY THE END OF OUR CONSULTATION, YOU CAN EXPECT:

- A clear understanding of the home buying process.
- An initial outline of your potential property search strategy.
- Confidence in my guidance and support.
- Preliminary insights into the current market and what to expect.

FROM THERE, WE HAVE A FEW PATHS WE CAN TAKE:

- **We're a Great Fit:** We decide to partner up, sign the buyer representation agreement, and then I'll develop a personalized plan to find your ideal home.
- **I'm Not the Right Fit:** If my approach isn't what you need, that's perfectly okay. I'm happy to answer any remaining questions and provide referrals if needed.
- **I may suggest a different approach:** I might recommend exploring different types of properties or areas that better align with your goals. Your success in finding the right home is my priority, even if it means suggesting an alternative path.

I'M HERE TO BE A RESOURCE FOR YOU, WHETHER YOU CHOOSE TO WORK WITH ME OR NOT.

Setting *Your Budget*

YOUR FINANCIAL ROADMAP

THE CORNERSTONE OF YOUR HOME SEARCH

Defining your home-buying budget is the crucial first step before browsing listings. It serves as a financial roadmap, guiding your search and preventing overspending while ensuring you focus on homes that align with your lifestyle and goals. Your budget includes all financial aspects of homeownership, helping you understand your limits and make informed decisions. This clarity reduces stress and boosts confidence, allowing you to avoid the disappointment of pursuing homes beyond your financial reach.

Practical Steps to *Define Your Budget*

GET PRE-APPROVED FOR A MORTGAGE:

Pre-approval is crucial. A lender assesses your finances to determine your maximum loan amount, setting a realistic budget limit for your home search and providing a powerful negotiating tool.

CALCULATE ALL COSTS BEYOND THE PURCHASE PRICE:

Consider all home costs, not just the price. Budget for upfront expenses like down payment and closing costs (typically 2-5% of the loan). Also, account for monthly payments (mortgage, taxes, insurance, HOA fees) and a buffer for maintenance and repairs.

ASSESS YOUR COMFORT ZONE AND LIFESTYLE:

Beyond what lenders say you can afford, decide your comfortable monthly payment. Factor in your lifestyle, other financial commitments, and savings goals to ensure housing costs leave room for comfortable living and emergencies. Avoid being 'house-poor.

THINK ABOUT YOUR CAREER STAGE:

Your current and future income can significantly influence your budget. If you're early in your career, you might anticipate future income growth, potentially allowing for a more flexible budget over time. If you're nearing retirement, prioritizing lower monthly housing costs and minimizing debt might be key for long-term financial security.

REVIEW YOUR CREDIT SCORE:

Your credit score directly impacts your mortgage interest rate. A healthier score can lead to lower monthly payments and significant savings over the life of your loan. Check it and work to improve it if needed.

Recommended *Lenders*

Not all lenders are the same — some offer better rates, lower fees, or more flexible options. When comparing lenders, ask about their interest rates, closing costs, estimated monthly payments, and whether they charge points or extra fees. You should also ask how quickly they can close, how responsive they are, and what kind of support you'll receive throughout the process.

RETAIL LENDERS

Guild Mortgage
Contact: Lily Navarro
Phone: 562-964-9609
Email: lnavarro@guildmortgage.net

Guild Mortgage
Contact: Bianca Jimenez
Phone: 619-761-9585
Email: bjimenez@guildmortgage.net

MORTGAGE BROKERS

i2i Mortgage
Contact: Jennifer Alvarado
Phone: 619-343-5247
Email: jennifer@mysdlender.com

MONARCH MORTGAGE
Contact: Gigi Prieto
Phone: 619-852-0981
Email: gigi@prietolending.com

BANK INSTITUTION

US BANK
Contact: Danielle Royal
Phone: 619-977-3907
Email: danielle.royal@usbank.com

Your *Down Payment*

OPTIONS & IMPACT

Your down payment is the initial sum of money you pay towards the purchase of your home, with the remainder covered by your mortgage loan. It's a crucial part of your home-buying budget, directly impacting your loan amount and potentially your interest rate and monthly payments. While a 20% down payment is often cited as ideal to avoid Private Mortgage Insurance (PMI) on conventional loans, many loan programs allow for much lower down payments, some even as low as 3.5% or 0% for qualified buyers (e.g., FHA, VA, USDA loans). The size of your down payment can also influence your loan options and how competitive your offer appears to sellers. Common sources for a down payment include personal savings, gifts from family, or down payment assistance programs and grants. Understanding your down payment options is a vital step in preparing for homeownership.

Your *Essential* Lender Meeting

Now that you have a clear vision of your dream home and a target budget, the next crucial step is to reach out to a mortgage lender. During this important consultation, be ready to present financial documents such as pay stubs, tax returns, and bank statements. Your lender will assess your income, debts, assets, and credit history to determine how much you can genuinely afford and which loan programs are available to you.

Every buyer should obtain a pre-approval, as many agents require it before showing properties. This not only demonstrates your serious intent but also prevents sellers from preparing their homes for unqualified buyers.

SMART SHOWINGS

Selecting & Touring *Homes*

1 Smart Selection: Choosing Homes to Visit

After your customized home search is established, you will receive immediate notifications as soon as a new property that fits your criteria becomes available. If a listing grabs your attention, we will quickly schedule a showing for you to walkthrough it. It's essential to concentrate solely on homes within your budget to honor both your financial plan and the seller's time. Viewing properties beyond your budget often results in disappointment, as it can make your actual options feel less desirable.

2 Touring Etiquette: Making the Most of Your Visit

During tours, remember you're stepping into someone's personal home and space, so please be respectful. Always remove your shoes if requested, and when small children are present please walk the home with care. Remember to save comments until after you've left the property.

Helpful Showing Tips:

- Avoid making any negative remarks while in the home but make quiet notes.
- Avoid discussing offers while inside the home.
- Remember there are almost always cameras present.
- Try to look past the current home decor as that will change.
- Imagine your belongings and style in the space.
- Focus on the home's layout, flow, natural light, and structural elements.
- Discuss your candid thoughts and feedback once you've left the property.

Offer Making Process

A STEP-BY-STEP GUIDE

You've found the perfect house – congratulations! Now it's time to make it yours. This guide outlines the offer-making process, detailing each step to help you navigate this crucial stage of your home-buying journey confidently.

STEP ONE

Research and Due Diligence:

•**Comparative Market Analysis (CMA):** Your agent will analyze recent sales of similar properties to determine the home's fair market value and help prevent overpaying.
•**Property Condition Assessment:** Conduct a pre-offer walkthrough or limited inspection to identify potential issues, which can inform your offer price and contingency strategy.

STEP TWO

Determine Your Offer Price:

•**Market Conditions:** Determine if it's a buyer's, seller's, or balanced market, as this affects your offer strategy; be more aggressive in a seller's market.
•**Property Condition:** Consider necessary repairs or updates; we will help estimate costs.
•**Your Budget:** Adhere to your pre-approved loan amount and budget to avoid overspending due to emotions.

STEP THREE

Craft Your Offer:

Your offer to purchase is a legally binding contract. Key components include:
•**Purchase Price:** The amount you're offering.
•**Earnest Money Deposit:** A good-faith deposit (typically 1-3% of the purchase price) held in escrow. A larger deposit can signal your seriousness.
•**Contingencies:** These are conditions that protect you the buyer and that must be met for the sale to proceed. Conditions like:

- **Financing Contingency:** Your offer is contingent on securing a mortgage at acceptable terms.
- **Appraisal Contingency:** The property must appraise at or above the purchase price.
- **Inspection Contingency:** A satisfactory home inspection. Never waive this lightly.
- **Sale of Existing Home Contingency (if applicable):** Dependent on the sale of your current home.

•**Closing Date:** Your preferred closing date.
•**Possession Date:** When you can take possession.
•**Inclusions and Exclusions:** Specify which items are included (appliances, fixtures) and excluded (personal belongings).
•**Addenda:** Any additional agreements or requests.

Offer Making Process:

A STEP-BY-STEP GUIDE

STEP FOUR

Submitting Your Offer:

Your offer is your first formal communication with the seller. I will ensure it's professionally prepared and presented. I will highlight your offer's strengths (pre-approval, deposit) and explain the next steps. We will also work to understand the seller's priorities. Clear communication with your agent is key throughout the process.

STEP FIVE

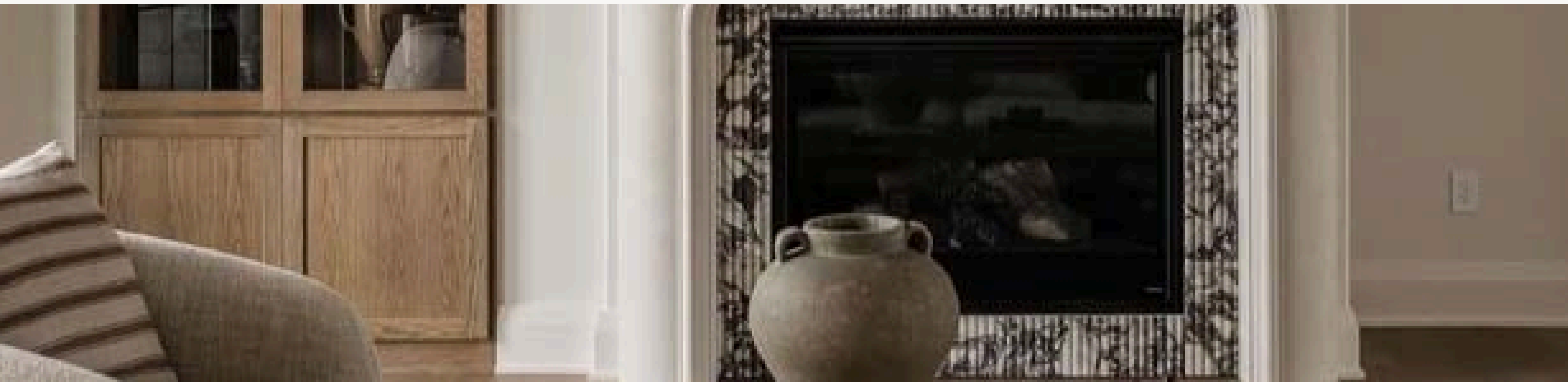
Negotiation:

•**Seller's Response:** The seller can accept, counter, or reject your offer.
•**Counteroffers:** If the seller counters, don't panic! This is normal. We will review the counteroffer, prioritize your key terms, and decide where you're willing to compromise. I will help you craft a strategic response. The seller can then counter again and this back-and-forth continues until a final agreement is reached or either party withdraws.
•**Multiple Offers:** In a competitive market, you might encounter multiple offers. I can help you navigate this situation, potentially suggesting a strong initial offer, an escalation clause crafted with care, or other tactics.

STEP SIX

Acceptance:

Once all terms are agreed upon, the offer is accepted, and you move forward with the remaining steps of the purchase process (inspections, appraisal, financing).



What Happens *Next*?

THINGS TO FOLLOW

Earnest Money Deposit:

Submit your deposit shortly after acceptance (often by check or wire transfer) to a neutral third party like an escrow company. This good faith deposit shows your commitment to the purchase and is held in a secure account, usually applying towards your down payment or closing costs.

Inspections:

You will hire and arrange a thorough home inspections with a qualified professional of your choosing. These inspections provide a detailed report on the home's systems and structure. Based on the findings, I will then help you negotiate any necessary repairs or price adjustments with the seller.

Appraisal:

Your lender will order an independent appraiser to confirm the home's market value at the property. This step is crucial as it ensures the property's value justifies your loan amount, protecting both your investment and the lender's interest. If the appraisal comes in lower than the purchase price, I will help you navigate potential impacts on your loan terms or further negotiation with the seller.

WHAT TO EXPECT

During a Home *Inspection*

Inspections are crucial when buying a home. After your offer is accepted, a professional inspector evaluates the property for issues such as structural damage, plumbing, and electrical problems. This helps you understand the property's condition and negotiate repairs or price adjustments with the seller, allowing for an informed buying decision.

TYPES OF INSPECTIONS

- General Home Inspection
- Pest Inspection
- Radon Inspection
- Mold Inspection
- Sewer and Septic Inspection
- Chimney Inspection
- Lead-Based Paint Inspection
- Asbestos Inspection
- HVAC Inspection
- Roof Inspection

A TYPICAL INSPECTION PERIOD IS 10 DAYS

Most inspections almost always have a report with some findings, as there aren't any perfect houses. After receiving the report, discussions about credits or repairs typically follow. As your agent, I will help explore options to address these issues.

YOUR OPTIONS AFTER RECEIVING THE INSPECTION REPORT

·ACCEPT AS-IS:
Minor issues can be tolerated in competitive markets, but consider repair implications.

·REQUEST REPAIRS:
Ask the seller to fix key safety and structural issues, focusing on critical repairs.

·RENEGOTIATE PRICE:
If major issues exist, negotiate a lower price to account for necessary repairs using estimates as justification.

·REQUEST CLOSING CREDITS:
Ask for credits to cover repairs post-closing, allowing you to manage the work.

·WALK AWAY:
If serious issues are found and unresolved, you may cancel the contract under the inspection contingency to protect your investment.

Navigating *Appraisals*

The appraisal process is crucial in real estate transactions, particularly with financing. It includes an independent evaluation of a property's market value by a licensed appraiser, ordered by the lender to confirm the loan amount aligns with the property's worth.

WHAT TO EXPECT DURING AN APPRAISAL:

- Appraiser conducts a thorough inspection evaluating:
  - Square footage and layout
- Condition of the structure, roof, and foundation
  - Quality of finishes and upgrades
  - Recent renovations or improvements
- Appraisers use recent sales of similar nearby homes ("comps") to determine your home's fair market value
- The appraiser creates a comprehensive report and submits it to the lender

POTENTIAL OUTCOMES & CONSIDERATIONS:

APPRAISAL MATCHES OFFER:

If the appraised value matches or exceeds the agreed-upon purchase price, the transaction typically proceeds smoothly.

APPRAISAL BELOW OFFER:

If the appraised value is lower than the offer, it can create challenges.

OPTIONS INCLUDE:

•Renegotiating the purchase price

•The buyer paying the difference

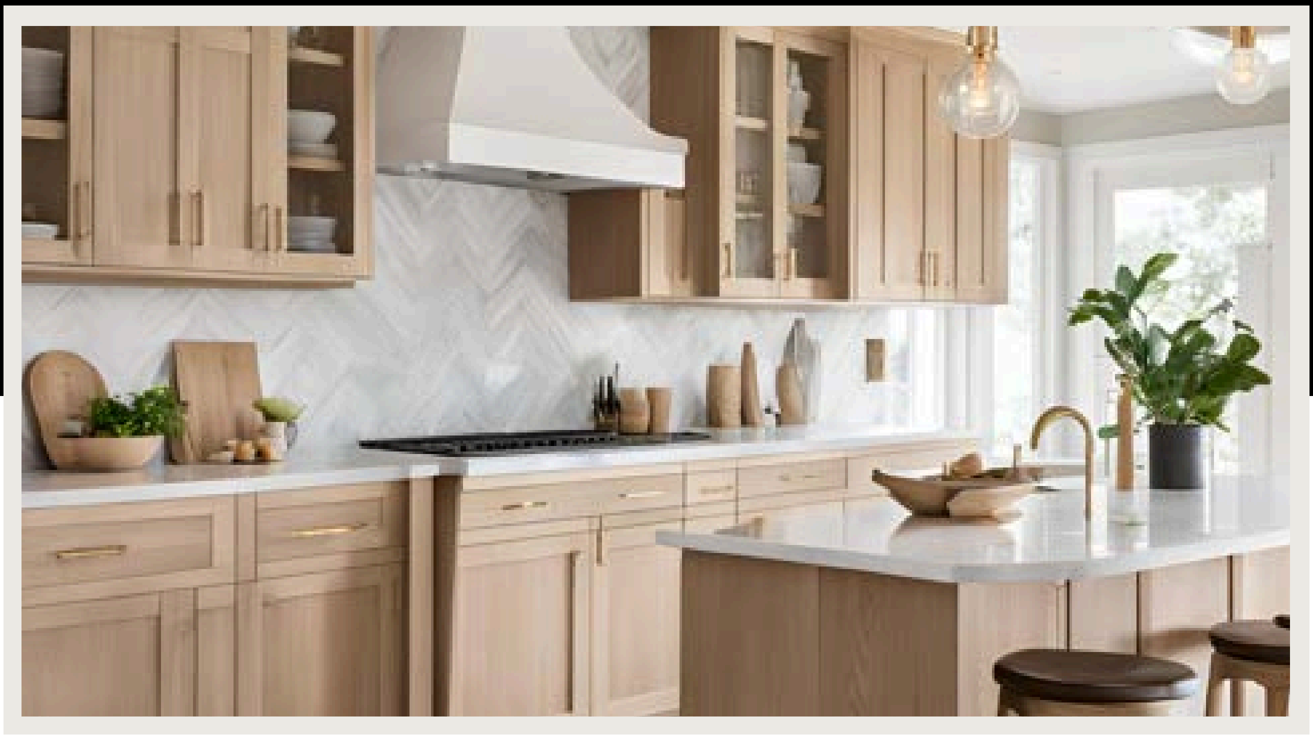
•The seller challenging the appraisal with additional comps

•The deal falling through

Timeline: Appraisals typically take 1-2 weeks to complete.

Factors like appraiser availability and property complexity can influence the timeline.

Title & *Insurance*



PROPERTY TITLE SEARCH

A property title search is the process of examining public records to determine the legal ownership and any outstanding liens or encumbrances on a property. It is performed during the home-buying process to ensure clear ownership and address any issues before the sale.

HOME OWNERS INSURANCE

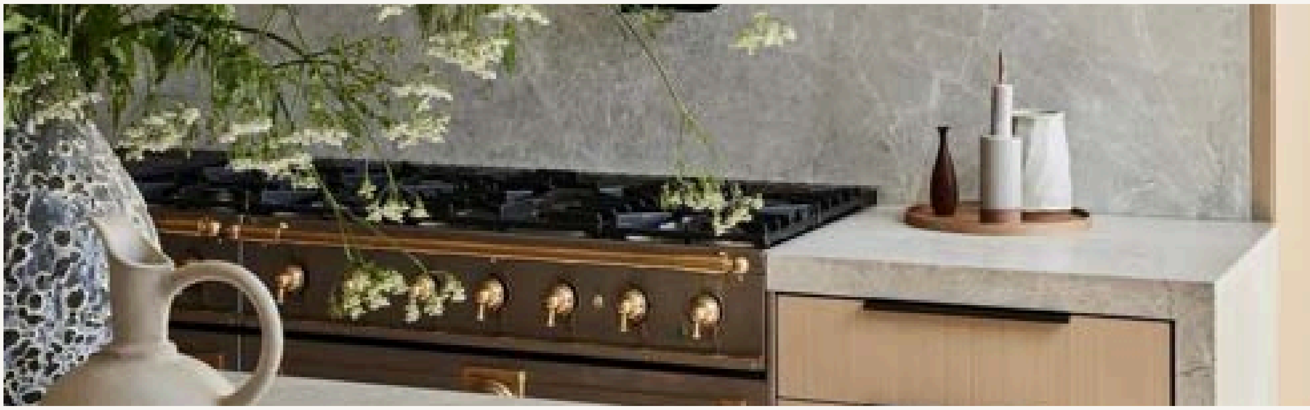
You'll need to have homeowner's insurance in place before closing, as your lender will require proof of coverage prior to funding the loan. Homeowner's insurance protects your home against risks such as fire, wind, theft, and certain types of water damage, and it also provides liability coverage if someone is injured on your property. It is important because it offers financial protection against loss or damage, helps safeguard your investment, is typically required by mortgage lenders, and provides peace of mind.

Finalizing Your *Finances*

As your closing day gets close, staying in touch with your lender is key. They might ask for more documents or information, so please respond quickly. Even more important, be very careful with your money: avoid taking out any new loans or getting new credit cards. Buying a new car, a boat, or even furniture on a credit card can quickly change your financial picture. This might hurt your debt-to-income ratio and could jeopardize your entire home purchase. Please wait to buy big things until after you've successfully closed on your new home. Being patient now means a smooth and easy path to getting your keys!

FINAL WALK THROUGH

Next, you'll conduct a final walk-through of the property. This typically happens a day or two before closing and allows you to confirm that any agreed-upon repairs have been completed and the home is in the expected condition.



Take your time during this walk-through to ensure everything is in order.
Once satisfied, you'll proceed to closing, where you'll sign the necessary documents and officially become the owner of your new home.

WHAT TO EXPECT

Closing The Sale

Closing day is the final step in becoming a homeowner, where funds and legal documents are transferred. A neutral third party, like an escrow officer, guides the process, ensuring accurate payments, preparing paperwork, settling any property debts, recording the title, and confirming any funds due to you. This structured process ensures a smooth and secure transfer of ownership.

YOUR COSTS

Beyond your down payment, you'll need to cover "closing costs," which are various fees and expenses paid at this final stage. These can range from 2-5% of your loan amount and typically include fees related to your loan, title and escrow services, prepaid property taxes and insurance, and government recording fees. Your lender will provide a detailed Loan Estimate early on and a final Closing Disclosure a few days before closing, clearly outlining every cost you'll be responsible for.

WHAT TO BRING

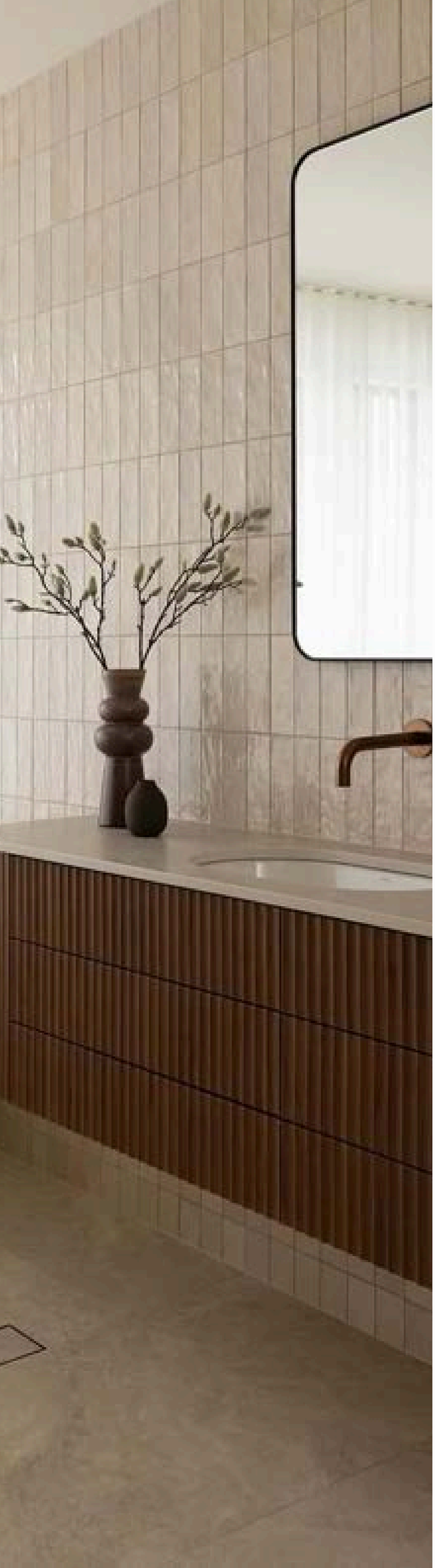
BUYERS NEED TO BRING TO CLOSING:

• A government picture ID
• Certified Funds: A cashier's check or proof of wire transfer for your remaining down payment and closing costs.
•Your Personal Checkbook: For any small, unexpected prorations.

AFTER CLOSING

SAVE THESE FOR TAXES:

- Copies of all closing documents
- All home improvement receipts



PAYMENT OPTIONS

Buyer's Agent *Compensation*

POSSIBLE PAYMENT SCENARIOS:

- **Seller Paid Compensation:** The seller *may* agree to cover the buyer's agent compensation as part of the transaction.
- **Seller Pays a Portion Compensation:** The seller *may* agree to cover part of the compensation, and you would be responsible for the remaining amount.
- **Buyer Paid Compensation:** If the seller does not agree to cover buyer agent compensation, you would pay it directly.

TRANSPARENCY IS KEY:

We will clearly discuss the compensation structure with you upfront, outlining all possibilities in a written agreement. This ensures that both parties are aligned from the start.

THANK YOU

At the end of the day, this isn't just about buying a home—it's about building your future. I'm committed to understanding your goals, protecting your best interests, and making sure you feel supported and informed from start to finish. My approach is rooted in clear communication, thoughtful strategy, and a genuine commitment to helping you make confident decisions every step of the way. I'd be honored to be part of your journey and help you find a place you're truly proud to call home.

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