ROOTS REALTY Co

INDIANAPOLIS, INDIANA

Buyer's Guide

Steps to navigating your home purchase with ease.

A QUICK VOCABULARY

Real Estate Terms

A few words you'll hear often once you start the process. Keep this page handy — your Roots agent will walk you through the rest.

PRE-APPROVAL

A pre-approval is the first step to obtaining a mortgage. The lender analyzes your income, debt, and credit-worthiness. You'll need one before you can put in an offer on a house.

OFFER

An offer is a preliminary agreement to purchase a home, set between a buyer and a seller.

CONTINGENCY

A contingency is when a preliminary offer is accepted, pending certain conditions set out by the buyer or seller.

CLOSING COST

The closing cost is the amount paid in addition to the sale price. It can include taxes, insurance, and lender expenses.

EARNEST MONEY

Earnest money is funds set aside into a trust or escrow account to show the buyer is serious. It is applied toward the buyer's closing costs at closing.

TITLE SEARCH

A title search confirms that the property being sold does in fact belong to the seller.

APPRAISAL

An appraisal is the value assigned to the property based on an assessment of the asset, neighborhood, market conditions, and more.

HOME INSPECTION

A home inspection is an official review of the property's current condition. It helps determine if any work is needed to bring the home to normal working order.

DISCLOSURES

Disclosures include everything the sellers know about the property, including any areas that need repairs.

CLOSING

Closing is the final part of the real estate sale — when the money and keys are exchanged.

PART ONE · BEFORE YOU START

Preparing to Buy

THE BIG PICTURE

Homebuyer's *Road Map*

1
FIND AN AGENT
Meet with and hire an agent you feel comfortable with.

2
GET PRE-APPROVED
Determine your purchase power with a mortgage pre-approval from a financial institution.

3
SEARCH
Begin your search for a home with the help of your agent.

4
OFFER
Make an offer, negotiate, go under contract, and submit earnest money.

5
DUE DILIGENCE
Your Roots agent will help coordinate inspection, appraisal, title work, and home insurance.

6
APPRAISAL
Your lender will order an appraisal to assess if the home value meets the purchase price.

7
CLOSING DAY
Money and title are exchanged to finalize the sale. You will sign in person at the title company.

8
CELEBRATE
Once you take possession of the property the work is done — so you can just go home!

Note: This is a high-level overview of the buy-side process. For more detailed steps at any stage, please refer to your Roots real estate agent.

STEP ONE

Find a *Great Agent*

A real estate agent is a huge asset as you go through the home-buying process. This is one of the biggest decisions of your life, and you need a skilled professional guiding you through it.

Your agent works with your best interests in mind and helps guide you through every stage of home buying.

WHY CHOOSE THE ROOTS TEAM?

Roots Realty Co. — or simply "Roots" — is an expert team of high-producing real estate agents with a passion for helping investors build wealth and buy their owner-occupant homes in Indianapolis and beyond. Every Roots agent is also an active investor, so you get advice from people who run their own deals. We are passionate about helping people plant roots in Indy.

WHY CHOOSE @PROPERTIES BROKERAGE?

@properties Indy is one of the fastest-growing brokerages in Indianapolis. Founded in 2011 as Plat Collective, it pairs local ownership with the technology and marketing resources of a leading national brand, plus deep knowledge of Indy and its unique neighborhoods.

> *"Every Roots agent is also an active investor — so you get advice from people who run their own deals."*

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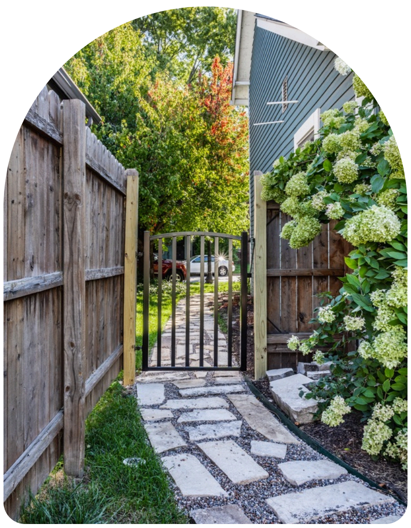
STEP TWO

Finances



PRE-APPROVAL & BUDGET

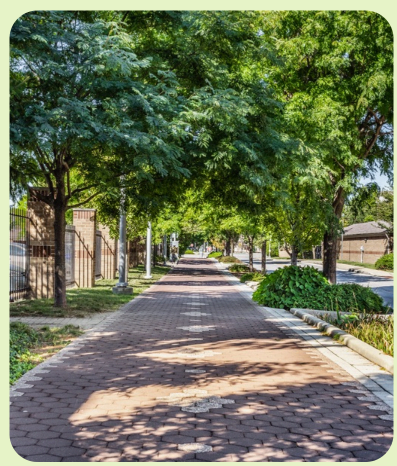
The first step in determining your budget is to get pre-approved with a recommended lender. It is important not to make any significant changes to your income after you obtain pre-approval.

Ask your Roots agent for lender recommendations. Having the right lender goes a long way toward submitting a competitive offer and getting to the closing table.

THINGS TO AVOID WHEN BUYING A HOUSE

Any changes to your income or debt can affect your lendability. It is important to avoid these things while purchasing a home:

- Changing jobs
- Buying a vehicle
- Adding more debt
- Spending your down payment
- Making large deposits
- Co-signing a loan
- Changing your bank account
- Omitting debt from your application



STEP TWO · CONTINUED

Your Mortgage *Application*

When it's time to apply, your lender will ask for documentation. Gathering these early keeps the process moving quickly.

01

Two years of W-2s & tax returns

02

Two months of pay stubs

03

Account information

04

Bank statements

05

Personal identification

06

Past addresses

07

Brokerage account statements

08

401(k) account statements

09

Miscellaneous documents

Every lender is a little different. Your Roots agent can connect you with trusted local lenders who will give you a complete, up-to-date checklist for your situation.

STEP TWO · CONTINUED

Other Expenses *to Expect*

EARNEST MONEY

Earnest money varies but is typically around 1% of the sale price. You'll pay it by cashier's check, personal check, or wire transfer. Once the sale completes, it is applied toward your closing costs. If you back out for reasons not covered by contingencies, you may lose this money.

HOME INSPECTION

Home inspections happen after you make an offer. Inspector fees typically range from $400–$600. Your cost varies with location, the size of the property, and whether you order any special evaluations in addition to the standard inspection.

APPRAISAL

Your lender will order an appraisal during the home-buying process, and you'll pay the lender for it directly. While appraisal prices vary, they usually land in the $400 range.

CLOSING COSTS

Closing costs cover fees associated with the purchase. Along with your down payment (typically 3–20%), these include title and settlement services, title insurance, appraisal fees, lender fees including credit checks, loan initiation fees, and other services carried out during closing.

PART TWO · THE SEARCH

Finding a Home

STEP THREE

Tour Homes

HOME SEARCHING TIPS

- Your Roots agent can set you up with a search that alerts you to homes matching your price and preferences as soon as they hit the market.
- Ask your Roots agent about the age of the HVAC system, roof, and house. Pay attention to features that may not work correctly — don't focus on wall colors or furniture, since those can change.
- Take pictures as you walk through to help you remember the specifics of each property.

Make a list of your must-haves, wants, and don't-cares. As you go through viewings, check off all your must-haves.

Once you find a home you love, you can make an official offer to the seller.

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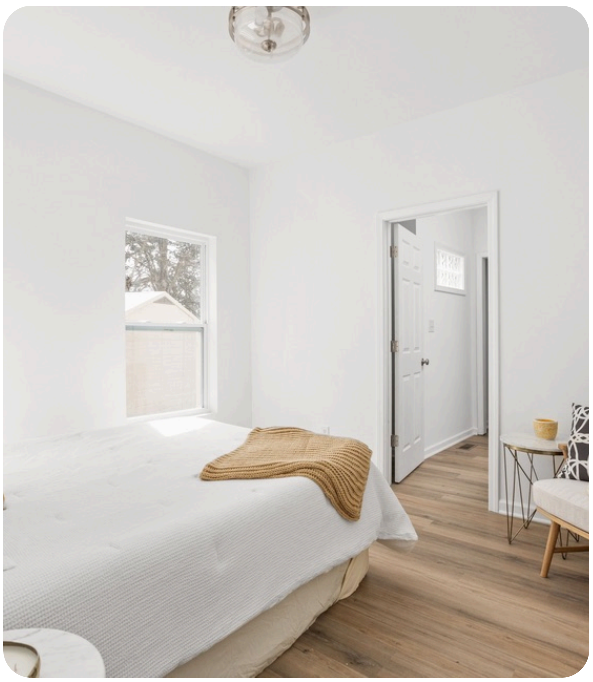
STEP FOUR

Make an *Offer*



WHAT YOUR OFFER INCLUDES

Your offer will include details such as offer price, possession, inspection contingencies, and closing cost allocation. You will also sign several disclosures from the sellers stating any known defects.

Negotiate an *Offer*

Be prepared to receive a counter-offer, and trust your Roots agent to guide you through this complicated process. We negotiate on your behalf to land terms that protect your interests.

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STEP FIVE

Inspection

You will have a set period of time to have a home inspection and negotiate repairs with the seller. Your Roots agent will have recommendations for inspectors and will navigate you through the negotiation and repair process.

Feel free to attend the inspection and ask the inspector to run through their report with you. You will also receive a PDF report of the findings afterward.

Once the inspection is complete, you will submit a document to the seller requesting repairs or credits. They can then accept or counter that response.

PART THREE · UNDER CONTRACT

Final Steps

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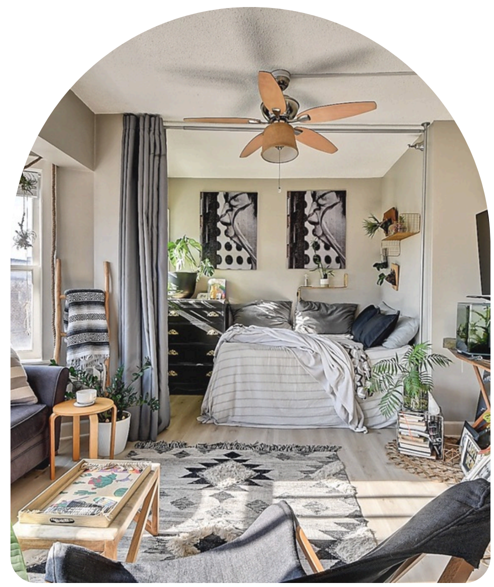
STEP SIX

Appraisal & *Loan Approval*



FINAL CHECKS

A few checks are run before finalizing the purchase of your new home:

- An appraisal of the property
- A property title search

You will also need to finalize home insurance for your new property.

LOAN APPROVAL

The lender will review all financial-related forms and information before granting the loan. They will review details like:

- Your income
- Credit check
- Employment status

PART FOUR · THE FINISH LINE

Closing & Moving

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STEP SEVEN

Schedule *Your Move*

CLOSER TO YOUR MOVE DATE

A few things you'll want to keep in mind as moving day approaches:

- Movers
- Renovators & contractors
- Utilities
- Cleaners
- Move-out details

STEP EIGHT

Closing

Closing is the final step to becoming the legal owner of your home. You will take a final walk-through just before closing to confirm that negotiated work has been completed and everything is in working order.

The closing process itself requires a lot of paperwork and patience. Be prepared with your government-issued photo ID, cashier's check or wire, and any other documents required by the title company or loan officer.

Congratulations on your new home!

LOCAL CONTACTS

Resources

MARION COUNTY UTILITIES

AES Indiana — Electric
aesindiana.com

Citizens Energy Group — Gas / Sewer
citizensenergygroup.com

Trash Pickup
indy.gov/activity/trash-pickup

Changing Addresses
usps.com/move

HOME INSURANCE

Kali DeWitt — DeWitt Insurance Agency
kali@dewittinsurancegroup.com

Ted King — Goosehead Mortgage
ted.king@goosehead.com

INSPECTORS

R&S Sewer Scopes

TopDog Inspection Services

Markham Inspection Services

PROPERTY MANAGEMENT

LIV Indy

T&H Realty

Hoosier Homes Property Management

NeighborServe — Home maintenance concierge

TAKE THIS WITH YOU

Home Touring *Checklist*

ADDRESS

DATE VISITED

LISTED PRICE

BEDROOMS

BATHROOMS

SQUARE FEET

LOT SIZE

YEAR BUILT

NEIGHBORHOOD

CURB APPEAL	○ ○ ○ ○ ○	INSIDE	○ ○ ○ ○ ○
OUTSIDE	○ ○ ○ ○ ○	PRICE / COST	○ ○ ○ ○ ○
LOCATION	○ ○ ○ ○ ○	NEIGHBORHOOD	○ ○ ○ ○ ○

DISLIKE LOVE

NOTES

SPACE TO THINK

Notes

ROOTS

REALTY Co

We help people plant roots.

ROOTSREALTY.CO

Indianapolis, Indiana · instagram @roots.realty.co