

BUYER'S GUIDE

BY

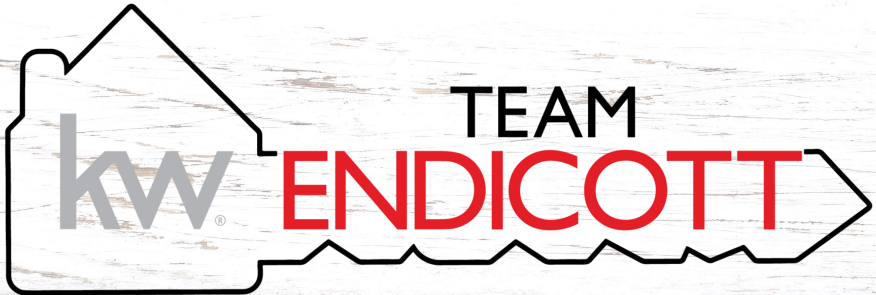


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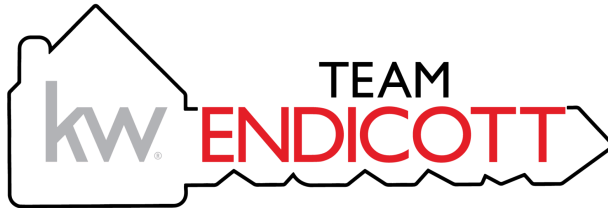
Core Values

Value of a Buyers Agent

Home Buying Process

Your Realtor For Life

Frequently Asked Questions



- Over 1700 homes sold
- Over 60 years combined experience in real estate
 - Over 35 million in sales volume

Dear Future Buyer(s),

In our experience, a house isn't a home because of its size. It's about how you feel when you walk through the front door, and the way you can envision your life unfolding there.

This is about more than real estate - it's about your life and your dreams.

We understand you are looking for a new home, and we want to be the real estate professional to help you. We work with each of our clients individually, taking the time to understand their unique needs and lifestyle, and we want to do the same for you.

It's incredibly fulfilling to know we are helping our clients open a new chapter of their lives. That's why we work so hard to not only find that perfect home, but also to handle every last detail of the purchase process, from negotiating the terms of sale to recommending moving companies.

This guide contains helpful information for home buyers, including an overview of the entire purchase process, answers to frequently asked questions, and fact sheets to help us discover the home and neighborhood characteristics most important to you.

After you've had the chance to review this information, we'll meet to go over the entire process and get started on finding your new home. We'll prepare an in depth, customized package of homes for you to review, highlighting properties that meet your criteria in neighborhoods that suit your lifestyle.

We are so excited to get started finding you the perfect home.

Warm Regards,

Team Endicott

A photograph of a modern outdoor patio. The ceiling is made of light-colored wood with exposed beams and recessed lighting. A large stone fireplace is visible in the background. The patio is paved with light-colored stone tiles and features several patio chairs with beige cushions. The overall atmosphere is bright and airy, with greenery visible through the open sides of the patio.

MISSION STATEMENT

To help people make good long-term real estate decisions by sharing our knowledge, experience, resources, and handling each transaction with integrity as if it were our own. Our ideal client is anyone looking to buy, sell, build, or invest in a new home. We handle real estate transactions with integrity, competency, and complete success— so that you can go on living your life. It's that simple.

OUR CORE VALUES

TO BE HUMBLE, HUNGRY, SMART, AND TO WORK WITH THE HEART OF A TEACHER

KNOWLEDGE

With over 1700 sales and 60 plus years of combined home selling, we know how to help you.

EXPERIENCE

We are locals who live, work, and own homes in the same places where you are looking to buy a home.

RESOURCES

We have developed relationships with industry partners in every field. Think of us as your one stop shop for relocation and home services.

INTEGRITY

You are our number one priority and we promise to handle each transaction as if it were our own.

THE VALUE OF A BUYERS AGENT

- Consult and create a custom home search specific to your needs in the MIBOR database, the BLC
- Search for homes
- Tour homes
- Discuss sales in the area
- Pull comparable sales
- Recommend an asking price in your best interest
- Negotiate on your behalf
- Guide you through the inspection process
- Share resources
- Protect your interests
- Be a one stop shop for your next home



THE HOME BUYING PROCESS

1 *Are You Ready to Buy?*

- What's your motivation
- Finances: Determine your budget, obtain preapproval
- Exclusive Buyer's Contract/ Loyalty Agreement

2 *What Are You Looking For?*

- Your wants and needs

3 *Let's Find Your New Home*

- BLC automatic emails from MIBOR
- Internet, print ads, drive-bys
- Open Houses, For Sale By Owner, New Construction
- Showing Appointments



4 *Lets Make An Offer*

- Pre-approval letter
- Earnest Money (1% of purchase price)
- Purchase Agreement
- Letter to homeowner



5

Make An Application For Your Mortgage

- Credit Report
- Processing/Underwriting
- Appraisal



6

Have the Home Inspected

- Basic home inspection, termite, radon, sewer scope
- Septic, well, water



7

Secure Homeowners Insurance

8

Conduct A Pre-Closing Walk Through



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Closing On Your Home

- HUD statement
- Down payment, closing costs, discount points, prepaids
- Monthly payment, principle, interest, taxes, insurance



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Possession

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Post Closing: Your Realtor For Life



DETERMINE YOUR BUDGET

We can recommend our preferred lenders to help you start this process. The financial consultation will give you a better idea of your buying power, which is key as you and your realtor embark on your search for your new home.

After reviewing your budget, you will get a pre-approval letter from the lender. Once you find a home you like, we will use this pre-approval letter and it will become part of your offer submitted to the Seller.



LET'S FIND YOUR NEW HOME

Make a list of your wants and needs. We will set up a custom search through the BLC to be emailed to you from MIBOR. You are encouraged to attend as many open houses as you would like and look online to find properties of interest. Team Endicott agents can also guide you through the new home construction process as well as tour any existing market home for sale. If you come across a property that is For Sale By Owner, contact us and we will schedule a showing on your behalf. We are able to show you any property you find once we have the sellers permission. Just leave the scheduling to us- simply contact us with the address you would like to see and we will get you scheduled. We work at your pace and with your schedule.



MAKING AN OFFER

When you find a house that you love it's time to make an offer. This is a formal contract that states in writing the purchase terms and price you intend to offer on a home. The seller can choose to accept the offer, reject the offer, or they can counter and change the terms of the initial offer.

When making an offer you will submit



1. Letter to homeowner
2. Preapproval letter
3. Purchase agreement
 - *Purchase price
 - *Earnest money
 - *Inspection
 - *Closing date
 - *Possession
4. BLC Sheet
5. Seller's disclosure
6. Lead based paint disclosure

CONTRACT NEGOTIATIONS & MULTIPLE OFFER SITUATIONS



Team Endicott will help you create a competitive advantage. Before we write your offer we will correspond with the Listing Agent to find out if there are any other offers on the table and if so, when is the deadline to respond. In addition, we will let you know how many days the home has been on the market, what comparable sales are in the neighborhood, and find out the age of the roof, windows, furnace, AC unit, water heater, and water softener so you can make an educated decision and present a professional offer.

If there is more than one offer, Team Endicott will guide you through additional terms that will make your offer stand out in today's market. Our agents will also explain your options throughout the entire negotiation. We have worked hard to develop relationships with other local agents which can be to your benefit when submitting an offer.

EARNEST MONEY

Once you are under contract you will have two business days to submit your earnest money to the listing broker or in some cases the title company. Our transaction coordinator will give you specific instructions on where to deliver your earnest money check. When you write out the check, you will write "EM, Street Address for the home you are buying" in the memo section of the check so there is no confusion. You will then take a picture of your earnest money check and send a copy for documentation purposes.

For Example Purposes Only

1936

DATE _____

PAY TO THE ORDER OF First American Title \$

DOLLARS  Security Features Details on back

FOR EM for 123 Main Street

⑆000000186⑆ 000000529⑆ 1000

Buyer Signature _____

MORTGAGE APPLICATION



Once an offer has been accepted, then it is time to move on to the mortgage application process. This is the time when your lender officially begins the mortgage process and collects all the financing details. Documentation lender may need includes the following:

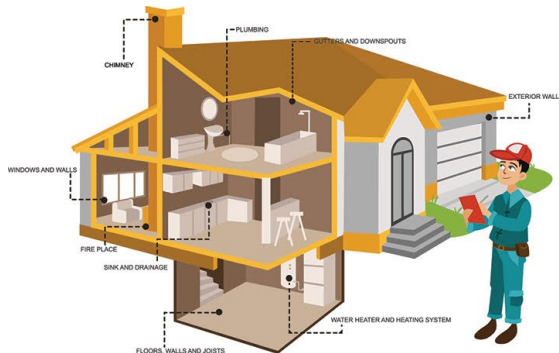
- Bank Statements
- W-2s from the past year
- Landlord name & address from past 2 years
- Pay stubs from the past 1-2 months
- Copy of driver's license
- Tax returns from the past 2 years
- Loan statements
- Credit line statement
- Proof of supplemental income
- Investment account statements
- Debt statements

Upon receipt the lender will run a credit report to determine your mortgage rate, submit the documents to underwriting, and then order your appraisal.

HOME INSPECTION

The average cost of a home inspection is \$300-\$500. You may also choose to have a termite inspection, radon testing, and sewer scope depending on the age and location of the home. The average length of a home inspection report can range from 20-40 pages. The inspector will have a list of items throughout the home that are to be inspected.

An inspection is meant to protect the buyer, so that you are aware of any defects in your future home. Defects are defined as follows: anything that can hurt harm or kill you, anything that can decrease the lifespan of the home, and anything that can decrease the value of your home over time. We will review your inspection report with you and help you to prepare an inspection response that would include defects you wish the seller to repair.



HOMEOWNERS INSURANCE

The buyer will need to secure homeowners insurance on your new property in order to close. Team Endicott will issue you complimentary quotes from Paul Dumas at Crossroads Insurance and Gabe Greene at Allstate. In some cases, you may find savings by bundling your home with your auto and/or life insurance policy. You are welcome to choose whomever you would like for your homeowners policy. Once you have decided who you intend to use you will need to contact our transaction coordinator and your lender.



PRE CLOSING WALK THROUGH



On the day of closing you will meet a member of Team Endicott and walk through your new home to insure the seller has completed any outstanding items on your home inspection. The home should be empty with the exception of any property negotiated at the time of purchase.

CLOSING

Your closing will be at the title company. A typical closing takes one to two hours, give or take. You will need to bring a valid U.S. drivers license or approved government issued id. This meeting will typically include the following parties: the buyer(s), the buyer's realtor, the lender, the seller(s), the seller's realtor, and the title company's closing agent.

At this meeting you will bring payment or will have previously wired money earlier in the week to pay for your new home. Multiple documents will be signed and when you leave you will hold title/have ownership of your new home.

Congratulations!



POSSESSION

The buyer will obtain keys, garage door openers, and any access codes to your new home at closing unless it was previously negotiated otherwise. In some circumstances the sellers may need extra time to move from their former home. If this is the case the buyer is usually notified at the time the offer is written. The day of possession is specified on the purchase agreement.

Team Endicott wishes you many happy years in your new home! Our resources are at your disposal. You are more than welcome to sign up and use our moving truck for your move. Please reserve it a few weeks in advance of your move date.

Go to our website at
www.teamendicott.com



POST CLOSING

Buyers will need to file both, their homestead and mortgage exemptions, in the county where you reside. Not to worry, you have until the end of the calendar year to file, December 31st. Team Endicott will send you a friendly reminder toward the end of the year.

REMINDER

File Your Mortgage and Homestead Exemptions

All Property Exemptions must be filed by no later than **December 31st** of this year!

All counties require documents to be recorded and exemptions filed by December 31st. Many will allow you to file electronically, contact the county Auditor's office directly for information.

Marion County | 317.327.3001
www.indy.gov/egov/county/auditor

Bartholomew County | 812.379.1510
www.bartholomew.in.gov/auditor.html

Boone County | 765.482.2940
www.boonecounty.in.gov

Brown County | 812.988.5485
<http://browncounty-in.gov/Departments/Auditor.aspx>

Delaware County | 765.747.7717
www.co.delaware.in.us/department/?DD=9-0

Hancock County | 317.477.1105
<http://hancockcoingov.org/hancock-county-indiana-auditor>

Hamilton County | 317.776.8401
www.hamiltoncounty.in.gov/443/Auditors-Office

Hendricks County | 317.745.9300
www.co.hendricks.in.us/department/index.php?structureid=25

Henry County | 765.529.2800
www.henryco.net/AuditorsOffice.aspx

Jackson County | 812.358.6122
[www.jacksoncounty.in.gov/index.aspx?nid=82](http://jacksoncounty.in.gov/index.aspx?nid=82)

Johnson County | 317.346.4310
<http://co.johnson.in.us/?s=auditor>

Madison County | 765.641.9419
<http://madisoncounty.com/Auditor.html>

Morgan County | 765.342.1001
www.morgancounty.in.gov/government/auditor

Shelby County | 317.392.6310
<http://auditor.shelbycounty73.us/>

Visit >> www.in.gov/dlqf/2344.htm for more information on property tax exemptions in Indiana.

Keep Your receipt to prove you filed before the deadline in case of any clerical errors.



YOUR REALTOR FOR LIFE

We love our clients! You are more than just a transaction to us. We look forward to keeping in touch with you. We host many client appreciation events which we would love for you to attend. The highest compliment you can give any one of us is a referral. Should you need anything moving forward, feel free to reach out to us. We are here for you!

With Gratitude,

Team Endicott



FREQUENTLY ASKED QUESTIONS

How much money do I need to buy a house?

The amount of money you'll need to buy a house can vary a lot. It depends on the price of the house, the type of mortgage you select, and your credit score. With FHA, you'll need a 3.5% down payment, plus closing costs.

Conventional mortgages can require 3%, 5%, 10%, or 20% down payment. Your lender will have expenses as well & those vary by lender, so that is an excellent question for them. Closing fees vary a bit at title companies as well, usually \$2300-\$2500.

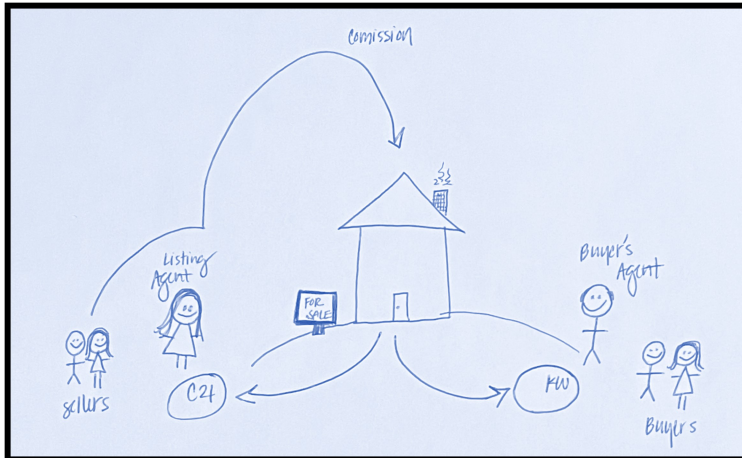
What areas of Indiana do you serve?

Team Endicott serves the greater Indianapolis area and surrounding suburbs on the west, north, east, and south sides of town. If you have a specific area of where you think you would like to live, let us know and we will set up your home search accordingly. If by chance you are looking in an area outside our range, we will be happy to refer you to another realtor.

FREQUENTLY ASKED QUESTIONS

How do I pay you and when?

As a home buyer you will not pay your Buyer's agent. The way it works is when a home is put up for sale the Listing Agent will negotiate a commission amount with the Seller. That commission is typically a percentage and is split between the Listing Agent & the Buyer's Agent after they negotiate the fee they can keep with their broker. Please refer to the diagram below.



FREQUENTLY ASKED QUESTIONS

Can we look at homes listed with other brokers?

Yes. Most of the homes you view will be listed with other agents. There are over 8,000 realtors in the greater Indianapolis area with an active real estate license. It would be rare that you would purchase a home listed with Team Endicott. We encourage you to attend as many Open Houses as you want so you can start to get a feel for what is available. You may also contact us to scheduled showing appointments on your behalf. We handle scheduling for homes found on Zillow, Trulia, Realtor.com, Redfin, as well as, homes on broker websites and the BLC. Just send us the address of home(s) you want to see and we will take care of the rest!

Do you work with For Sale By Owners?

Yes, we do. Send us the address and we will call the home owner on your behalf to schedule the appointment and collect additional information about the home prior to showing.

How many homes will we look at before finding the right one?

That depends on you. According to the National Association of Realtors, the average home buyer who uses the internet looks at 10 homes. Buyers who did not use the internet visit 4 homes.

FREQUENTLY ASKED QUESTIONS

What is earnest money, how much is it, and what happens to it?

Earnest money is a specific form of security deposit made in real estate transactions to demonstrate the buyer is serious and willing to demonstrate an earnest of good faith about wanting to complete the real estate transaction. Earnest money is typically 1% of the purchase price of a home. So, as an example, if a home is listed for \$100,000, then the earnest money would be \$1,000. Once you have an accepted offer, the buyer will typically have two business day to submit earnest money to the Listing Broker or in some cases the Title Company. This money must be deposited into a secure account that does not collect interest and is not mixed with personal funds. It is held in the account until closing, at which time it is credited to the Buyer at closing. There are only two other ways earnest money can be released. If the Seller & Buyer cannot agree, they may sign a Mutual Release stating who will receive the earnest money and how much of the earnest money will be returned. This document must be signed by both the Seller & Buyer for it to be valid. The last way earnest money may be returned is through small claims court.

FREQUENTLY ASKED QUESTIONS

Can I get my earnest money back?

Earnest money must be deposited into a secure account that does not collect interest and is not mixed with personal funds. It is held in the account until closing, at which time it is credited to the Buyer at closing. There are only two other ways earnest money can be released. If the Seller & Buyer cannot agree, they may sign a Mutual Release stating who will receive the earnest money and how much of the earnest money will be returned. This document must be signed by both the Seller & Buyer for it to be valid. The last way earnest money may be returned is through small claims court.

How much is a home inspection and can we put it in the closing costs?

Inspections are very important. They help you walk in "eyes wide open" to your new home. Your home inspection will need to be paid for at or before the actual inspection, so plan on paying that money up front. The fee for the inspection can vary as well. Fees usually start around \$300. You can also add termite, radon, and/or a sewer scope, each of which have an additional cost. The inspection company can help you with getting the inspection services you need.

FREQUENTLY ASKED QUESTIONS

What is the difference between an inspection and an appraisal?

Inspections and appraisals *are* different! An inspection shows you the condition of the home. We will negotiate some of the items in the inspection report to be corrected by the seller. Other items, those that are maintenance items or items to monitor, are often just routine things to watch on every home. The appraisal, on the other hand, is a determination of market value on the home you're buying. Some FHA or VA appraisers may require some items to be repaired by a seller before closing, but appraisals are to protect you from paying too much for, and the lender from loaning too much money on, your new home.

What happens if the house doesn't appraise for the sale price?

This doesn't happen very regularly, because we try to do our homework before you write an offer. Part of helping you make good long term real estate decisions is measuring the market so that you don't overpay for a house. But when an appraisal does come in lower than the purchase price, there are some options: 1) have the seller come down to appraisal price or cancel the purchase, 2) pay the difference between appraisal and purchase price out of your pocket (which we rarely recommend) or, 3) negotiate a purchase price somewhere between purchase price & appraised value. Again, this would have to be a very special home to you, because any amount of money over the appraised value would come out of the buyer's pocket.

FREQUENTLY ASKED QUESTIONS

How long will it take to close once we have an accepted offer?

Depending on the lender you use, closing can be done in as little as 3 weeks. The normal rule of thumb is that you close in the month following the one in which your offer was accepted. For example, if your offer is accepted in May, you will likely close in the 3rd or 4th week of June. Most buyers close in the last 2 weeks of the month, since they pay mortgage interest from the day of closing to the last day of the month.

We may need to sell after a few years of ownership; will we get our money back?

The rule of thumb has normally been that you can sell your home and make money after living there 3-5 years. For new construction, the time frame was 5-7 years.

How do I know if I am getting a good deal?

We like to look at the past 180 days of sales for similar homes in the same neighborhood or very near to the home you select. Then we compare square footage, finishes, and amenities in those homes, to establish a market value range for the home you want to buy. We'll have to gauge what a good deal would be, based on the home you select; again, with the goal of helping you make good long term real estate decisions.