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HOME BUYER'S GUIDE

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SELECTING AN AGENT

Cari is a Billings Area lifestyle blogger and Real Estate Broker and Graduate of Realtor Institute (GRI) graduate as well as At Home with Diversity certified. Having lived in Billings for over 30 years, Cari is deeply engaged in the community, serving as a Billings Chamber of Commerce Ambassador, she has a strong understanding of the local real estate market and economy.

As a former banking professional, Cari puts her effective communication and risk management skills to work for her clients. She uses strong negotiation tactics, objectivity, and professionalism to help her clients obtain their home ownership goals.

If you are looking for a Realtor that is experienced, fair, honest, and committed to putting her client's best interests first, Cari is right for you.

SELECTING A HOME

Finding the perfect home rarely happens, but with your help, I'll work to get you as close as I can to your ideal home.

Please take a minute to consider the following areas. Your feedback will provide information I can use to simplify your property search and save you time. If there are any details that aren't addressed here, feel free to add them.

General Questions

Do you have a property that you need to sell before purchasing another? ____

Are you currently in a lease contract? ____

If yes, when does your lease expire? _____

What is your timeline to purchase a new home? _____

Where do you want to buy property? _____

Is there a specific area that you prefer? _____

Financing & Pricing

Have you arranged financing yet? Y/N Lender _____

Do you need assistance in locating financing? _____

Have you been pre-qualified, pre-approved, or otherwise? _____

What is your budget? _____

Will your financial company issue a pre-qualification or pre-approval letter?
Y/N

Do you have enough funds saved to cover earnest money (generally \$1,000)?

Will you require down payment assistance? _____

If so, how much? _____

Your New Home

What style of home would you prefer? (Split Entry, Side Split, Ranch, Single Level) _____

Unfinished basement? Y/N _____

Open floor plan? Y/N _____

How much square footage would you like? _____

How many Bedrooms? _____ How many Bathrooms? _____

What features would you prefer in the master bedroom? (Walk-in closet, on-suite bathroom, etc.) _____

How do you feel about project? _____

Do you prefer Central Air Conditioning? _____

Do you prefer a garage? Y/N _____ If yes, how many spaces? _____

What size yard would you prefer? _____

Is landscaping important to you? Y/N _____

Would you prefer underground sprinklers? Y/N _____

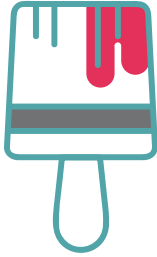
Do you have pets that need a fenced yard? Y/N _____

What other specific features would you like to add?

Are you currently working with another real estate agent? _____

Did you sign an Exclusive Buyer Agency Contract with another agent? _____

BENEFITS OF HOME OWNERSHIP



HAPPINESS

Paint, New Flooring and Appliances

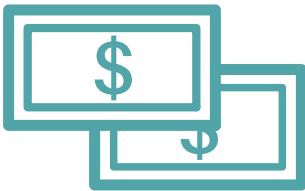
The feeling of owning your own home is unmatched. You can fix it up, make it your own, get a dog, or plant a tree if you want.



TAX SAVINGS

Government Rewards Homeowners

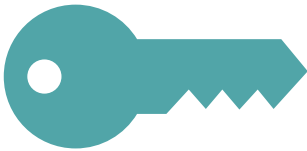
The interest paid on your mortgage and other home-related expenses may be deducted from your income.



INCREASE NET WORTH

Home Values Increase Over Time

The increase in your home's value plus payments you make become equity you benefit from when you refinance or sell.



STABILITY

You Call the Shots

It's rewarding to have a place to call your own to settle down and call your own.

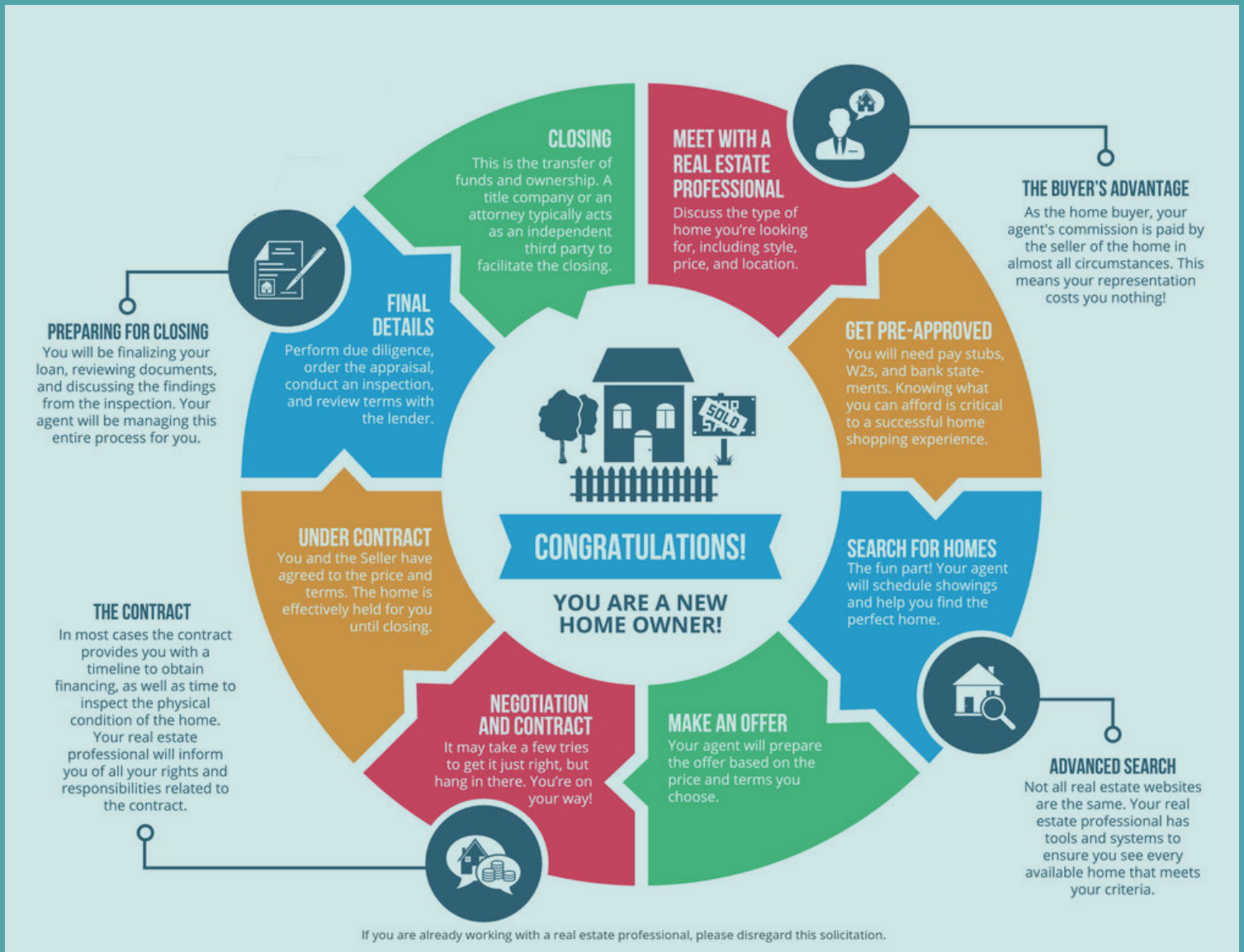


EDUCATION

Good Place to Raise Children

Research shows children of homeowners earn higher test scores and graduate at a higher percentage rate than those of renters.

HOME BUYING PROCESS



Having Cari on your side during the home buying process ensures you have a well-trained, honest advocate who will communicate with you, represent you, negotiate for you, and support you throughout the entire process.

Key Professionals

Buying a home involves a collection of real estate professionals



- **Real estate agent**
A person with a state license to represent buyers and sellers in a real estate transaction.
- **Home Inspector**
Objectively and independently provides a comprehensive analysis of a home's major systems and components.
- **Loan Officer/Lender**
A representative of a financial institution that help clients with borrowing options, rates, and terms.
- **Appraiser**
Works on behalf of the lender to provide a market analysis regarding the value of the subject property.
- **Insurance Agent**
Helps the homebuyer determine the homeowner's protection coverage needed.
- **Escrow/Closing Officer**
A non-biased third party who works with all parties to facilitate a successful transition from one owner to another.

WHAT YOU MAY NEED FOR THE LOAN APPLICATION

Be prepared to provide some or all of the following items to your lender.

- Addresses of residences for past two years
- Social Security Number
- Driver's License Number or other valid ID
- Names and addresses of employers for the last two years
- two recent pay stubs showing year-to-date earnings
- Federal tax returns for the last two years
- W-2's for the last two years
- Last two months of bank statements
- Loans: Name, address, account numbers, and payment amounts for all loans, credit cards, and other loans
- Value of personal property (autos, furniture, jewelry, electronics)
- For VA loans: Certificate of eligibility or DD-s
- Divorce decree, if applicable
- Funds to pay for credit report




REAL ESTATE TERMINOLOGY

ADJUSTABLE RATE MORTGAGE (ARM)	The interest rate is tied to a financial index making the monthly mortgage payment go up or down over time.
ANNUAL PERCENTAGE RATE (APR)	The percent of interest that will be charged on a home loan.
APPRAISAL	The report highlighting the estimated value of the property completed by a qualified third party. This is typically done for the benefit of the buyer or the buyer's lender to ensure the property is worth the purchase price.
ASSOCIATION FEE/HOA FEE	Monthly fee charged by certain housing communities, such as townhomes, for maintaining the common areas and amenities.
CLOSING	When the ownership of a property is officially transferred from the seller to the buyer by recording at the county recorder's office.
CLOSING COST	Expenses associated with the transaction of buyer or selling a property. For example, realtor commissions for the seller, or new loan fees for the buyer.
CLOSING DISCLOSURE	The interest rate is tied to a financial index making the monthly mortgage payment go up or down over time.
COLLATERAL	The percent of interest that will be charged on a home loan.
COMMISSION	The report highlighting the estimated value of the property completed by a qualified third party. This is typically done for the benefit of the buyer or the buyer's lender to ensure the property is worth the purchase price.
COMPARABLES	Home in the area of interest that have recently sold that have similar features.
CONTINGENCIES	Conditions which must be met in order to close, which are typically tied to a deadline. If the contingency is not satisfied, the contract may be cancelled.

COUNTER OFFER	The response from the seller in regard to an offer.
DEBT TO INCOME RATIO	A borrower's percentage of gross monthly income compared to the amount they pay for their monthly debt payments.
DOWN PAYMENT	A percent of the cost of the property that is paid up front as a portion of the mortgage.
EARNEST MONEY	The deposit made from the buyer to the seller when submitting an offer. This deposit is typically held in trust by a third party, such as a title company. Upon closing, the amount is credited to the buyer.
ESCROW	The time period in which a document is kept in the custody of a third party and taking effect only when a specified condition has been fulfilled.
EQUITY	The difference in the market value of a home versus what is owed on the home.
FHA	A mortgage that is financed through a private lender and insured by the Federal Housing Administration, often requiring a lower down payment and income to qualify.
FIXED RATE	An interest rate that remains the same for the entire life of the mortgage.
HOME EQUITY LINE OF CREDIT	A loan or line of credit that the lender may offer using the equity in the borrower's home as collateral.
HOME INSPECTION	The process in which a professional inspects the seller's home for issues that may not be readily apparent, and then creates a report for the buyer to review.
HOME PROTECTION PLAN	A 1-3 year warranty service that covers the cost of repairs or replacement of items covered in the plan, such as appliances, furnace, air conditioner, etc.
MORTGAGE INSURANCE	Insurance written in connection with a mortgage loan that protects the lender in the event the borrower cannot repay their loan. Not usually required on conventional loans.
MORTGAGE NOTE	A promise to pay a sum of money at a specific interest rate during a specific term that is secured by a mortgage.

MULTIPLE LISTING SERVICE (MLS)	The national list of real estate properties that are available for sale. These are the most reliable source to receive up-to-date listing information.
PRE-APPROVAL	The process in which a lender makes an initial evaluation of how much money a buyer might be qualified to borrow based on the preliminary financial information provided. This gives the seller more confidence in the buyer's ability to close escrow, but is no a guarantee that the loan will be approved.
PRINCIPAL	The underlying amount of the loan which is actually borrowed.
PROPERTY TAXES	Taxes enforced by the city, county, state government entities. Sometimes they are included in the total monthly mortgage payment amount paid to the lender and sometimes paid directly by the homeowner.
REO	Real estate owned properties or foreclosed properties currently owned by a financial institution, such as the bank who made the loan to the previous owner.
REVERSE MORTGAGE	Is a type of loan for seniors ages 62 and older. that allow homeowners to convert their home equity into cash income with no monthly mortgage payments.
SHORT SALE	A situation when the seller's lender is willing to accept an offer and allows the sale to be completed for an amount less than the mortgage amount owed by the seller.
TITLE	A legal document proving current and proper ownership of the property. Also referred to as a Title Deed, this document highlights the histoery of perperty ownership an dtransfers.
UNDERWRITING	The process in which the potential home buyer is evaluated for their financial ability to obtain and repay a loan. This normally includes a credit check and an appraisal of the perperty.
VA LOAN	Special, no down payment loans that are available to Americans who have served in the Armed Forces. These loans are issued by private lenders and are guaranteed by the Department of Veterans Affairs.

HOUSE HUNTING CHECKLIST



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Associate Broker

REAL ESTATE HUB

HOUSE HUNTING CHECKLIST

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REAL ESTATE HUB

Property Address _____

Price _____

of Bedrooms _____ # of Bathrooms _____

Total Sq. Ft. _____

First Impression: DISLIKE • LIKE • LOVE

THE HOME

Exterior Condition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Floorplan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kitchen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Family Area	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Dining Area	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Laundry Room	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Primary Bedroom	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Primary Bathroom	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Extra Bedroom(s)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Extra Bathroom(s)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Garage Size	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lot	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

THE FEATURES

Kitchen Appliances	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Laundry Appliances	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fireplace	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Patio/Balcony	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pool	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
A/C & Heating System	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Security	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Does this house make the short list? ☐ YES ☐ NO
☐ MAYBE

ADDITIONAL NOTES _____

NOTES ABOUT THE NEIGHBORHOOD

Appearance _____

Traffic _____

Security/Safety _____

Nearby Schools _____

Close to: ☐ WORK ☐ SCHOOLS ☐ TRANSPORTATION ☐ MARKETS ☐ RECREATION/PARKS ☐ RESTAURANTS

This house won't work because _____

OVERALL RATING 1 2 3 4 5

As you look for the perfect home, Cari will provide MLS sheets and a house hunting checklists. The checklist is designed to help you score each home to help you make the decision of which house is right for you.

THIS MAY HAPPEN WHEN BUYING A HOUSE

- You MAY NOT be told how much money to bring to closing until the day of your closing, and many times, only hours or minutes before the closing
- The dates on your contract MAY change, perhaps multiple times
- You MAY become anxious or nervous
- You MAY become irritated or annoyed about frequent and last-minute paperwork or requests with seemingly impossible deadlines
- You MAY negotiate 2-5 times on this transaction. (Price, inspection, appraisal, final walk-thru, etc.)
- You MAY want to tell your friends and family about your experience on social media site - DON'T!
- The mortgage company MAY pull another credit report on you days before or even the day of your closing



WHAT TO AVOID DURING THE HOME BUYING PROCESS

AVOID CHANGING YOUR MARITAL STATUS

How you hold title is affected by your marital status. Be sure to make both your lender and closing agent aware of any changes in your marital status so that documents can be prepared correctly.

AVOID CHANGING JOBS

A job change may result in your loan being denied, particularly if you are taking a lower paying position or moving into a different field. The lender may call your employer to verify employment just prior to funding the loan.

AVOID SWITCHING BANKS OR MOVING YOUR MONEY TO ANOTHER INSTITUTION

After the lender has verified your funds at one or more institutions, the money should remain there until needed for the purchase.

AVOID PAYING OFF EXISTING ACCOUNTS UNLESS YOUR LENDER REQUESTS IT

If your loan officer advises you to pay off certain bills in order to qualify for the loan, follow that advice. Otherwise, leave your accounts as they are until your escrow closes.

AVOID MAKING ANY LARGE PURCHASE

A major purchase that requires a withdrawal from your verified funds or increases your debt can result in your not qualifying for the loan. A lender may check or recheck your credit at the last minute.

CLOSING DAY

Whether purchasing or selling a home, knowing what to expect and being prepared at the closing can help eliminate stress and result in a pleasant experience.

Here are some common items that may be required at closing to help the process go smoothly and quickly as possible.

- **VALID PHOTO IDENTIFICATION**
One form of photo identification is required at closing.
- **CASHIER'S CHECK OR WIRE TRANSFER**
In the event you must bring money to closing, the title company cannot accept a personal check.
- **HAZARD INSURANCE POLICY & PAID RECEIPT**
If you haven't already, your lender may request proof of insurance at closing.
- **IF POSSIBLE, ALL PARTIES WHO HOLD TITLE TO THE PROPERTY SHOULD ATTEND THE CLOSING**
If anyone is unable to attend closing, contact me to arrange a power of attorney or closing by mail.



WHAT HAPPENS AFTER THE CLOSING

It is recommended you keep all records relating to your home together in a safe place, including all purchase documents, insurance, maintenance, and improvements.

KEYS TO HOME

You have been given a set of keys that unlock the doors to your new home. To ensure security, change the locks upon moving in.

UTILITIES

If you have not already done so, contact the local service providers to make arrangements for electricity, gas, water, cable or satellite service.

RECORDED DEED

Once recorded in the official county records, the original deed to your home will be mailed.

LOAN PAYMENT

At the closing, written instructions were provided with details for making your first loan payment. If you have any questions about your first payment or tax or insurance reserves, please contact your lender.

PROPERTY TAXES

At the closing, property taxes were prorated between buyer and seller based on occupancy time in the home. You will receive a purple tax statement from the state; however, your taxes may be paid through an escrow account as part of your loan payment. Check with your lender to find out if taxes are included with your payment and if the tax bill will be paid by the lender from reserve account funds.

POSTAL SERVICE

Your local Post Office can provide the necessary Change of Address forms to expedite the delivery of mail to your new home. You can speed up the process by notifying everyone who sends you mail of your new address and the date of your move. Many bills provide an area for making an address change.

DRIVER'S LICENSE | VEHICLE REGISTRATION | INSPECTION

You are required by law to notify the state Department of Motor Vehicles (DMV) after any relocation. You will also need to update your auto registration.



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