



BUYERS GUIDE

HOME
BUYING
MADE
SIMPLE

COURTESY OF CAREY KANAVAL

ITS SO GOOD TO BE HOME



HOME BUYING SIMPLIFIED

Welcome! You are about to embark on the exciting journey of finding your new home. Whether it is your first home or tenth home, a retirement home or investment property, I will make your home-buying journey a great experience. I can help you find the ideal home with the least amount of hassle, and I am devoted to using the expertise and full resources of my team to achieve these results! Purchasing a home is a very important decision and a big undertaking in your life. In fact, most people only choose a few homes in their entire lifetime. I am going to make sure that you are well-equipped and armed with up-to-date information for your big decision. I am prepared to guide you through every phase of the home-buying process.

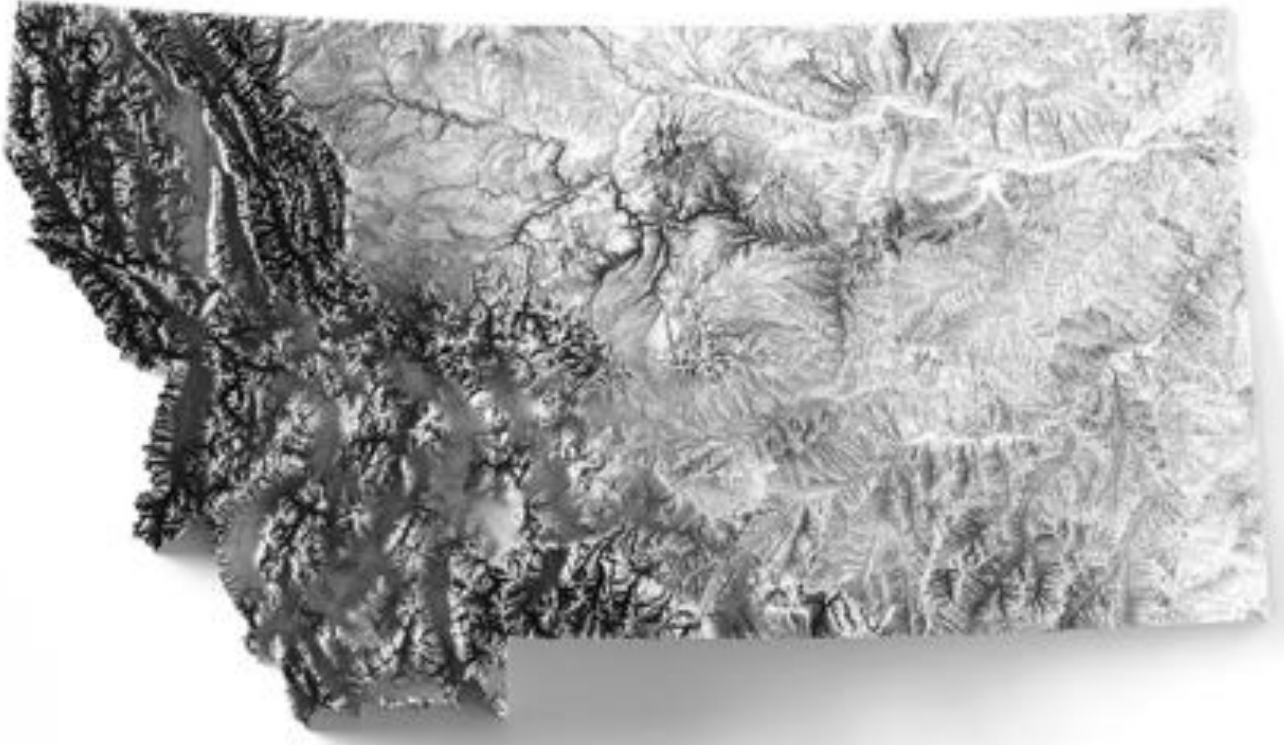
This guide gives you helpful information for before, during, and after your transaction. I hope you will find its reference to be an invaluable guide during your home-buying experience. My real estate business has been built around one guiding principle: It's all about you. I will work with you to understand your unique needs and wishes because buying a home is more than a certain number of bedrooms or a particular zip code. It's about your dreams, concerns, questions, finances, time, and lifestyle – and that's important to me. My focus is on your complete satisfaction. I work to get the job done so well that you will want to tell your friends and associates about your experience with me. That's why so much of my business comes from repeat clients and their referrals: good service speaks for itself. Let's take this journey together! I look forward to meeting your real estate needs every step of the way.



Carey Kanavel

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LOOKING FOR A HOME IN MONTANA?



I've got you covered.

IN ANY MARKET, WITH ANY BUDGET, FIRST TIME HOME
BUYER, COMMERCIAL NEEDS, OR EXPERIENCED
BUYER, I CAN'T WAIT TO HELP YOU FIND YOUR NEW
HOME.



Carey was extremely helpful and knowledgeable. I moved from out of state across the country and she made it so easy. She is a great realtor and an even better person.

————— Tom K —————

Carey was very professional and had great local knowledge. She returned messages quickly and put together an extensive list of properties that matched my needs. I've purchased a few properties and never had a better experience - Carey was top notch from start to close, highly recommend!

————— Todd R. —————

Excellent, would definitely recommend Carey again!

————— Ron and Sherry S —————

It was sheer luck we got Carey the day we called and we could not be more appreciative and thankful for her knowledge, guidance, over the top helpfulness....we could go on and on!

————— Kevin and Michelle B. —————



KNOWLEDGEABLE,
professional, and proven
realtor/broker who
will represent you



Thorough consultation
to **DETERMINE YOUR
UNIQUE WANTS AND
NEEDS** in a home



**ORGANIZING AND
SCHEDULING** homes to
view based upon your
specific criteria



**PERSONALLY
TOURING HOMES** and
neighborhoods with you



KEEPING YOU INFORMED
about and delivering
opportunities to view homes
not yet on the market



**ADVICE ON MAKING
OFFERS** based on an expert
market evaluation and
analysis of other homes sold



COMMITTED ALLIES
who will complete your
purchase contract, present
your offer and negotiate
on your behalf



**PREPARATION OF ALL
DISCLOSURES AND
DOCUMENTS,** and
guidance through the
escrow process



ASSISTANCE
with any post-closing
questions

6 STEPS TO HOME BUYING



STEP ONE: GETTING STARTED

Start by doing preliminary online and neighborhood drive searches to get a better idea of your ideal neighborhood and home type.

Set up Home Buyer Consultation. I will review the buying process and set appropriate expectations regarding market conditions. We will also discuss what you're looking for and goals for the transaction.

I will review your search parameters and demonstrate the Flex MLS portal and app, explain listing notifications and market conditions, and go over scheduling of appointments.



TIPS FOR FINDING A GREAT HOME

There are many factors to consider when selecting a neighborhood that is right for you. Each area of Montana has its own personality, so I will work with you to identify the area that is the best match for your needs and lifestyle. Then, I'll focus on finding homes within your target areas that possess the features you're seeking. As we begin looking at options, here are some suggestions that may help narrow down your search.

SCOUT THE NEIGHBORHOOD

- Talk to people who live there.
- Drive through the area at different times of the day, during the week and on weekends.
- Look carefully at how well other homes in the area are being maintained. Are they painted? Are the yards well kept? Are parked cars in good condition?

NEIGHBORHOOD FACTORS TO CONSIDER:

- Access to major thoroughfares, highways, and public transportation
- Noise created by commerce, roads, airports, public areas, schools, etc.
- Traffic patterns during different times of day
- Commute to and from the area for work
- Proximity to parks, schools, churches, recreation centers, restaurants, shopping, etc.
- Existence of a Homeowner's Association

STEP 2: FINANCING

I can provide you with a referral to qualified lenders for financing pre-approval and/or rate shopping. If you're funding your purchase with cash, you will need to secure proof of funds.



FUNDING YOUR HOME PURCHASE

Three factors determine how much you can afford:

1. Qualification for the Mortgage – Lenders will let you know your monthly payments as a percent of your monthly income. The percentage will depend on your credit rating and debt to income. Your monthly mortgage payment will consist of:

- Principal on the loan
- Interest on the loan
- Property taxes
- Homeowner's insurance (HOA)

2. Down Payment – Home loans require a down payment between 3.5-10% of the purchase price. If you are able to pay more upfront, you may be eligible for lower interest rate loans, shorter loan periods, and avoiding some insurance fees.

3. Closing Costs – Additional fees and costs associated with loan processing and closing are required to be paid at the final closing. Typically, closing costs are between 2-3% of the purchase price (not the loan amount).

OVERVIEW OF THE LOAN PROCESS



1. FINANCIAL PRE- APPROVAL

- » Application and interview with a mortgage loan officer
- » Buyer provides pertinent documentation, including verification of employment, taxes, etc.
- » Credit report ordered
- » Loan pre-approval received

2. UNDERWRITING

- » Loan package submitted to underwriter for approval when offer is accepted on a home to purchase

3. LOAN APPROVAL

- » Parties notified of approval of the loan
- » Loan documents completed and sent to escrow

4. CLOSING

- » Borrowers sign loan documents with a notary
- » Borrowers provide cashiers check for balance of down payment and closing costs

5. FUNDING

- » Lender reviews the loan package
- » Funds transferred by wire

MAJOR DON'TS WHEN APPLYING FOR A REAL ESTATE LOAN

- » Don't change jobs, become self-employed or quit your job.
- » Don't omit debts or liabilities from your loan application.
- » Don't acquire any new debt.
- » Don't originate any inquiries into your credit.
- » Don't make large deposits without first checking with your loan officer.
- » Don't change bank accounts.
- » Don't spend money you have set aside for closing.
- » Don't use credit cards excessively or miss any payments.
- » Don't buy a car, truck or furniture—no large purchases!
- » Don't co-sign a loan for anyone.



STEP 3: SETTING YOUR SEARCH



I will build your search based on price, location and house specific criteria provided by you.

You provide feedback about the search results and tell me which homes are of interest to you. Let me know if there is a home you would like to see and when it might be convenient for you to go for a visit.

I will set up showings and begin viewing your top home choices.

We will work together to narrow down your preferred list until you find the home you want to buy!

STEP 4: MAKING AN OFFER

I will prepare an analysis of comparable sales for the current and past year to assist in determining appropriate and fair price for the home.

I will write an offer and discuss all the terms and questions you may have before submitting it to the listing agent.

As your agent, I will handle all negotiations to obtain the best possible price and terms for you.

I provide a secure electronic document storage software. This enables you to sign offers and other documents electronically, allowing for a convenient and easy way to communicate. It will also save all documents and signatures for seven years.

You'll need to provide an Earnest Money Deposit at the time of an accepted offer. This is typically 1-3% of the offer price (a large deposit is typically considered part of a strong offer). Your check should be made payable to the escrow company and will be deposited when the offer is fully accepted. This amount will be applied to your down payment.

NEGOTIABLE TERMS OF YOUR OFFER

Once you have found the property you want, I will write a purchase agreement. While much of the agreement is standard, there are a few areas we can negotiate:

ADDITIONAL PROPERTY

Often, the seller plans on leaving major appliances in the home; however, which items stay or go is often a matter of negotiation. Anything attached (considered a fixture) stays with the property, i.e. a dishwasher, microwave/range hood combo.

Other appliances, such as refrigerators, stoves, washers and dryers, must be requested with the offer.

MOVE-IN DATE

If you can be flexible on the possession date, the seller may be more apt to choose your offer over others. We check with the agent to see what is best for the seller.

PRICE

What you offer on a property depends on a number of factors, including its current market value, condition, length of time on the market, buyer activity, and the urgency of the seller. While some buyers want to make a low offer just to see if the seller accepts, this often isn't a smart choice because the seller may be insulted and decide not to negotiate at all. Also, in many cases, you may be competing with multiple offers.



WORKING TOWARDS AN ACCEPTED OFFER

YOU MAKE AN OFFER

I will present your offer to the listing agent and/or seller. The seller will then do one of the following:

SELLER ACCEPTS
THE OFFER

SELLER COUNTERS
THE OFFER

SELLER REJECTS
THE OFFER

By far, the most common is the **COUNTEROFFER** in response to strong offers. In these cases, our experience and negotiating skills become powerful in representing your best interests.

When a counteroffer is received, we will work together to review each specific area, making sure that we move forward with your goals in mind and ensuring that I negotiate the best possible price and terms on your behalf.



HOME INSPECTION OVERVIEW

I highly recommend that you have a professional home inspector conduct a thorough inspection. The inspection will include the following:

- » Appliances
- » Roof and attic
- » General structure
- » Electrical
- » Ventilation
- » Foundation
- » Plumbing
- » Air conditioning and heating

The inspection is designed to report on major damage or serious problems that require repair. The seller may be willing to negotiate completion of recommended repairs at their expense, or they may offer you a credit to make the repairs. You may also decide that the home will take too much work and money. In addition to the overall inspection, you may wish to have separate tests conducted for termites or the presence of radon gas.

I recommend being present at the inspection so that you will be able to clearly understand the report and know exactly which areas need attention. Plus, you can get answers to many questions, tips for maintenance, and general information that will help you once you move into your new home. Most important, you will see the home through the eyes of an objective third party.



STEP 5: CONTRACT TO CLOSE

I will contact you for introduction, inspection company options, earnest money (if not already received) and title company selection, if necessary.

1. INSPECTIONS

- » You will need to select an inspection company. I will make certain to remain within the contractual window when scheduling and making repair requests. Note - scheduling on the front side of said timeframe is ideal to allow for additional inspections/estimates and negotiations.
- » I will review the report with you to determine the top 3-5 items of importance.
- » I will draft the repair request and submit it to the listing agent. Negotiations will be conducted as necessary.
- » Once repairs and requests are agreed to by all parties, I will notify your lender that the inspection contingency has been released.

2. APPRAISAL

- » I will request that your lender notify us when an appraisal is scheduled.
- » Once the appraisal date is confirmed with the listing agent, I will notify you so you're aware.
- » As long as the appraisal is for the purchase price or greater, financing can move forward. If the appraisal is less than the purchase price, I will negotiate with the seller on your behalf to potentially reduce the price of the home to the appraisal amount.

3. UNDERWRITING

- » Your lender will send the file to underwriting, and I will follow-up with you, the lender, and the listing agent regularly to provide necessary updates.
- » It is important that you do not participate in any activities that could affect underwriting. You will need to submit all documents requested by the lender in a timely manner.
- » Once a target closing date is identified, your lender and/or a member of our team will notify you.
- » The lender will tell us when you are clear to close and a closing date/time will be scheduled with the title company, buyers and sellers.

4. FINAL WALK-THROUGH

- » I will schedule the final walk-through of the property prior to closing. At this time we will verify agreed-upon repairs have been completed with receipts and visual inspection.

5. PREPARING TO CLOSE

- » I will attend the closing with you to provide additional support and ensure a smooth transition of possession.
- » Please remember to bring your driver's license.
- » Don't forget, you will need to call the utility companies to transfer them into your name on the date of closing.
- » If you are responsible to bring funds to closing, they will need to be in the form of a certified check or wire transfer.



STEP 6: CLOSING + BEYOND

My job does not stop at closing – I will be in touch to see if you need anything!
I will also continue to reach out regularly to check-in.
Please review my services - I will make it easy and send you a link to a survey!



Closing 101

Signing your loan documents marks the end of your home-buying process and the beginning of your new life! To make sure your closing goes smoothly, you should bring the following to the signing appointment:

- » Certified check for closing costs and down payment. Make the check payable to the escrow company, or you may wire the funds. Wiring instructions can be provided by the escrow company.
- » Photo ID's
- » Social security numbers
- » Any other information requested by your lender

Transfer of title moves ownership of the property from the seller to you. The two events that make this happen are:

1. Delivery of buyer's funds: This is the check or wire funds provided by your lender in the amount of the loan.
2. Delivery of the deed: A deed is the document that transfers ownership of real estate. The deed names the seller and buyer, gives a legal description of the property, and contains the notarized signatures of the seller and witnesses.

At the end of the closing, the deed will be taken and recorded at the county clerk's office. It will be sent to you after processing.



MOVING CHECKLIST

SEND CHANGE OF ADDRESS TO:

- POST OFFICE
- BANK
- CREDIT CARD COMPANIES
- FRIENDS/RELATIVES
- INSURANCE COMPANIES - LIFE, HEALTH, FIRE, AUTO
- AUTOMOBILE- TRANSFER OF CAR TITLE REGISTRATION, DRIVERS LICENSE
- UTILITY COMPANIES- GAS, LIGHT, WATER, TELEPHONE, CABLE
 - ARRANGE FOR ANY REFUNDS OF DEPOSITS
 - ARRANGE FOR SERVICE IN NEW LOCATION
- HOME DELIVERY- LAUNDRY, NEWSPAPER MAGAZINE SUBSCRIPTIONS
- SCHOOL RECORDS- ASK FOR COPIES OR TRANSFER CHILDREN'S SCHOOL RECORDS
- MEDICAL RECORDS- MEDICAL, DENTAL, PRESCRIPTION HISTORIES
 - ASK DOCTOR AND DENTIST FOR REFERRALS
 - TRANSFER NEEDED PRESCRIPTIONS, X RAYS, ETC.
- CHURCH, CLUBS, CIVIC ORGANIZATIONS- TRANSFER MEMBERSHIPS AND GET LETTERS OF INTRODUCTION

DONT FORGET TO:

- EMPTY FREEZERS - PLAN USE OF FOOD
- DEFROST FREEZER / REFRIGERATOR
- HAVE APPLIANCES SERVICED FOR MOVING
- CONTACT UTILITY COMPANIES FOR CONNECTION- WATER, POWER, CABLE, TRASH, ETC.
- STAY IN CONTACT WITH YOUR MOVER- CHECK WITH THE FOLLOWING: INSURANCE COVERAGE, PACKING AND UNPACKING LABOR, ARRIVAL DAY, VARIOUS SHIPPING PAPERS, METHOD AND TIME OF EXPECTED PAYMENT
- PLAN FOR SPECIAL CARE AND NEEDS OF INFANTS, CHILDREN , PETS, AND POTTED PLANTS.

ON MOVING DAY:

- CARRY CURRENCY, JEWELRY, AND IMPORTANT DOCUMENTS YOURSELF
- LET A CLOSE FRIEND OR RELATIVE KNOW ROUTE AND SCHEDULE YOU WILL TRAVEL INCLUDING OVERNIGHT STOPS; USE HIM/HER AS MESSAGE HEADQUARTERS
- DOUBLE CHECK (TO AVOID CONFUSION) OLD CLOSETS, DRAWERS, SHELVES, TO BE SURE THEY ARE EMPTY
- LEAVE OLD KEYS NEEDED BY NEW OWNER

TIPS FOR MOVING WITH PETS

- PREPARE AN EASILY-ACCESSIBLE 'OVERNIGHT KIT' THAT HAS ENOUGH DOG FOOD, KITTY LITTER, TOYS AND GROOMING TOOLS TO SUSTAIN YOUR PET AND KEEP THEM COMFORTABLE DURING THE FIRST FEW DAYS OF UNPACKING.
- CONTACT YOUR VET- IF YOU'RE MOVING OUT OF THE AREA, TAKE RECORDS AND ANY PRESCRIPTION MEDICATIONS WITH YOU. SEE IF THEY CAN RECOMMEND ANOTHER VET IN YOUR NEW NEIGHBORHOOD.
- THE BEST WAY TO REDUCE STRESS ON AN ANIMAL IS TO KEEP THEM IN THE QUIETEST AREA POSSIBLE. IF YOU DON'T WANT TO LEAVE THEM WITH A FRIEND OR A KENNEL FOR THE DAY (WHICH IS RECOMMENDED), AT LEAST REMOVE THEM FROM THE ACTION.
- IF YOU ARE MOVING YOUR PET BY CAR, BE SURE TO TAKE AN EXTRA TOY OR TWO, A LEASH FOR WHEN STOPS ARE MADE, AND PLENTY OF WATER TO KEEP YOUR PET HYDRATED
- ONCE YOU AND YOUR PET HAVE ARRIVED IN YOUR NEW LOCATION, ALLOW SUFFICIENT TIME FOR THE NEW NEIGHBORHOOD ADJUSTMENT TO BE MADE. IT COULD TAKE A FEW DAYS OR WEEKS FOR YOUR PET TO ADAPT TO THEIR NEW SURROUNDINGS.

ENJOY YOUR NEW HOME!

FREQUENTLY ASKED QUESTIONS

HOW WILL YOU TELL ME ABOUT THE NEWEST HOMES AVAILABLE?

The Multiple Listing Service Website (MLS) provides up-to date information for every home on the market.

I constantly check the list of new homes on the market so I can be on the lookout for my clients. I will get you this information right away, in the method that is convenient for you- phone, email, or text. We can also set up an automatic email drop that sends you any homes matching your search criteria as soon as they are listed for sale.

WILL YOU INFORM ME OF HOMES LISTED BY ALL REAL ESTATE COMPANIES?

I will keep you informed about all homes that may be of interest to you, regardless of which agent has listed them for sale. I want to help you find your dream home, which means I need to stay on top of every home available on the market.

CAN YOU HELP ME FIND NEW CONSTRUCTION HOMES?

Yes, I can work with most builders and get you the information you need to make a decision. On your visits with the builder, I can accompany you. By using my services with a new construction home purchase, you will receive the services I offer, as well as those provided by the builder, at no additional cost. It is important that I accompany you on your initial visit to the developer's office in order to be able to assist you.

HOW DOES FOR SALE BY OWNER WORK?

Homeowners trying to sell their home without agent representation are usually doing so in hopes of saving the listing agent commission, but most understand that they will pay for buyer agent commission. If you see a FSBO and want the advantages of my services, let me contact the owner for you and make an appointment. Most of the time a homeowner will work with an agent even though their home is not listed, since the agent is introducing a potential buyer to their property. This is no cost to you and ensures you are fairly represented and receive all disclosures and documentation throughout the sale.

CAN WE GO BACK THROUGH OUR PROPERTY AGAIN ONCE AN OFFER IS MADE BUT BEFORE POSSESSION?

Usually we can notify the seller and schedule a convenient time to visit the property again. Immediately before the closing, we will schedule a final walk-through and inspection of your new home. After your offer is accepted, we can view the property during the home inspection.

ONCE MY OFFER IS ACCEPTED, WHAT SHOULD I DO?

Celebrate and focus on moving into your new home! Plan for inspections, complete all documents in a timely manner, and ask any questions you may have. You will want to schedule your move, pack items, and notify businesses of your address change. I will provide you with a good faith estimate which will indicate the amount you will need to bring to closing.





Broker (16 years experience)

Specialties: Buyer's agent/ Listing agent/ Relocation/ Consulting

Carey is a seasoned REALTOR®/Broker and has been licensed since 2005. She represents buyers and sellers in Potomac, Seeley Lake, Lincoln, the Bitterroot Valley and beyond - from all experience levels, including first-time homebuyers to investors. Carey specializes in ranch, farm and horse properties, as well as vacation/recreational properties. In her free time she enjoys horseback riding, hiking, boating, biking, snowshoeing, reading, cooking, and traveling, and has volunteered with many local organizations including 4-H and Rotary International. Give her a call today at (406) 880-2335 to find the home, cabin, retreat, or get-away property of your dreams.

Carey Kanavel

MONTANA BROKER

Closing costs: *Who pays what?*

Type of Financing

Cash

FHA

VA

Conv.

Type of Financing	Cash	FHA	VA	Conv.
1. Downpayment	Buyer	Buyer	Buyer	Buyer
2. Termite, (Wood Infestation) Inspection (negotiable except on VA)			Seller	
3. Property Inspection (if requested by Buyer)	Buyer	Buyer	Buyer	Buyer
4. Property Repairs, if Any (negotiable)	Seller	Seller	Seller	Seller
5. New Loan Origination Fee (negotiable)		Buyer	Buyer	Buyer
6. Discount Points (negotiable)		Buyer	Buyer	Buyer
7. Credit Report		Buyer	Buyer	Buyer
8. Appraisal or Extension Fee (negotiable)		Buyer	Buyer	Buyer
9. Existing Loan Payoff	Seller	Seller	Seller	Seller
10. Existing loan Payoff Demand	Seller	Seller	Seller	Seller
11. Loan Prepayment Penalty, if Any	Seller	Seller	Seller	Seller
12. Next Month's PITI Payment		Buyer	Buyer	Buyer
13. Prepaid Interest (approx 30 days)		Buyer	Buyer	Buyer
14. FHA MIP, VA Funding Fee, PMI Premium		Buyer	Buyer	Buyer
15. Assessments Payoff or Proration (sewer, paving etc.) (negotiable)	Buyer or Seller	Buyer or Seller	Buyer or Seller	Buyer or Seller
16. Taxes	Prorate	Prorate	Prorate	Prorate
17. Tax Impounds		Buyer	Buyer	Buyer
18. Tax Service Contract		Seller	Seller	Buyer
19. Fire / Hazard Insurance	Buyer	Buyer	Buyer	Buyer
20. Flood Insurance (if applicable)	Buyer	Buyer	Buyer	Buyer
21. Homeowners Association (HOA) Transfer Fee (negotiable)	Buyer or Seller	Buyer or Seller	Buyer or Seller	Buyer or Seller
22. HOA/ Disclosure Fee (negotiable)	Buyer or Seller	Buyer or Seller	Buyer or Seller	Buyer or Seller
23. Current HOA Payment	Prorate	Prorate	Prorate	Prorate
24. Next Month's HOA Payment	Buyer	Buyer	Buyer	Buyer
25. Home Warranty Premium (negotiable)	Buyer or Seller	Buyer or Seller	Buyer or Seller	Buyer or Seller
26. Real Estate Agent/Broker Commissions	Seller	Seller	Seller	Seller
27. Owner's Title Policy	Seller	Seller	Seller	Seller
28. Lender's Title Policy and Endorsements		Buyer	Buyer	Buyer
29. Escrow Fee (NOTE: Charge Seller on VA Loan)	Split	Split	Seller	Split
30. Recording Fee (negotiable)	Buyer or Seller	Buyer or Seller	Buyer or Seller	Buyer or Seller
31. Reconveyance / Satisfaction Fee	Seller	Seller	Seller	Seller
32. Courier/ Express Mail Fees	Split	Split	Seller	Split