

Useful Information and frequently asked questions for Buyer's Agent's (and for Buyers) when submitting an offer on REO (Bank Owned) properties. Please read this in it's entirety BEFORE submitting an offer.

Buyer's names as per contract: _____
Generally, sellers will NOT allow "And/Or Nominee" or other assignments of the contract.
Property Address: _____ City: _____ Zip: _____ MLS# _____

Agent Information: Name: _____ MLS ID: _____ Brokerage MLS#: _____
Primary Phone: _____ FAX: _____ email: _____
(almost all communication is via email)

Is the Buyer (check one): Owner occupant: _____ Investor: _____ Agent: _____ ((Most bank's will not pay CMMSN' s to licensees))
What type of financing: Cash: _____ Conventional: _____ FHA: _____ VA: _____ Hard Money: _____
Is the Buyer requesting Down Payment Assistance: Yes: _____ * No: _____
Is the Buyer requesting Closing Costs Assistance: Yes: _____ * No: _____

*** If so, you must contact the listing agent prior to submitting the offer for additional information and guidelines.**

You are purchasing a REO or Bank Owned property - this transaction is very different from a normal transaction. These following points are to assist you as the Buyer's agent to help facilitate a smooth and a successful closing for all involved.

The home is sold "As-Is, Where-is". No repairs will be made by the seller unless agreed to in the contract. All inspections are for informational purposes only.

Water and electricity, if not already on, will be turned on where it is safe to do so, and where possible, no later than 48 hours after VERBAL contract acceptance.
FYI: Gas service (if applicable) will not be turned on by the seller in any circumstances.

Pools will be filled prior to funding only if required by lender for a FHA/VA loan. Buyer may NOT fill the pool themselves without prior written approval from the seller; in any case buyer is responsible for the cost of filling the pool if required, by using either a potable water delivery truck or by changing the water service billing into the buyers name BEFORE filling pool.

Offers are submitted as soon as possible after they are received, it can take up to 5 business days for a response. All responses and other communications will be conveyed through email. The normal process for REO offers is to submit your offer, LSR (proof of funds), copy of earnest money, As-Is addendum and this cover sheet. Response will come from seller usually in a worksheet form outlining the terms. When the terms have been verbally agreed upon by both parties, seller will prepare and send to you any additional sellers' addendums for your buyer to sign.

Many REO sellers consider offers accepted upon verbal acceptance of the contract; therefore, due diligence periods are to begin upon verbal acceptance. It may take a number of days for the seller to get the final signed contract and addenda back to you.

Do not wait for the final executed contract before starting your due diligence or your loan processing as that will delay the process if you wait. Extensions are not usually given for the buyer's lender not having the loan done on time.

In all cases, there is a per diem charge of \$100+ per day, this is charged if close of escrow goes beyond the agreed upon date unless caused by the seller. Please note: that any delay in receiving signed contracts after verbal acceptance is **not** an acceptable reason to use as a seller caused delay.

If the seller agrees to pay for any item in the contract, this will be reimbursed at successful close of escrow, this includes but is not limited to Appraisal Fee, HOA disclosures, Condo Cert.'s fee, etc.....

All offers must include the following items before we can present your offer. **Check all items that apply**

1. _____ Fully filled out AAR approved Purchase Offer. All blanks must be filled in, all area's for buyer initials must be complete, all boxes must be complete BEFORE you submit the offer (Double Check your offer for clerical errors)
2. _____ LSR must be fully filled out and signed/dated by buyer; lines 1-4 in the lender prequalification must be marked yes and the lender must have signed.
3. _____ A copy of the earnest money check must be provided. If the Title Company is unknown at the time of the offer make the check out to _____ Title Company with the property address in the memo section of the check. The seller will designate the title company to use.
4. _____ if you are using any of your own funds, proof of funds must be attached. This can be a bank statement or a brokerage statement – please black out any private information. i.e.: account number, SS #'s, etc..
5. _____ If using any down payment assistance programs (if applicable), include all application paperwork signed by buyer.
6. _____ As-Is addendum
7. _____ SPDS form signed by buyer acknowledging that seller has never occupied the home.
8. _____ This form completed and signed by the buyers agent

NO pre-posessions or other access to the property will be allowed

Please be aware that any reference to, or contact information shown for the asset management company or other seller information, is not to be used for contacting them directly. ALL communication must go through the seller's agent.

Choose your close dates carefully – your lender must have the buyer's loan done by the date given on the offer. As a rule of thumb: Cash takes 14 days to close; 30 days for conventional and 45 days (minimum) for FHA or VA. **Again don't wait for a final executed contract before starting the loan process.**

You will receive an email from our office stating that your offer was received and has been submitted to the bank. If you do NOT receive this, please EMAIL us at gncedick@cox.net with the property address in the subject line. Please do not call the office for status or updates; all communications will be done via email.

Important: Commissions on REO's are paid on the NET sales price of the property; which is the Gross Sales Price (the offered price) less any buyer concessions.

Buyers Agent: _____ Company (brokerage): _____ Date: _____