



REO Disclosure

*** Please fill out and submit the **REO Offer Worksheet** found on the MLS with all offers. This is to ensure we have all the proper information to properly submit the offer ***

Please utilize email when at all possible. Email for contracts is contracts@sellstategcr.com. All other correspondence should be using reo@sellstategcr.com. Please do not make numerous calls to our office asking if we received your offer. Email is the fastest way to get a response. Seller response times vary; there is no rhyme or reason to the amount of time it may take. Factors include clients servicing rights, mortgage insurance on the loan and the outsourcers' service compliance (level of authority).

Property is sold 'As-Is'. Seller will NOT make any repairs to property, regardless of loan requirements, unless addressed as part of the **original** negotiation. Agent should be familiar with specific loan requirements and educate their Buyer(s) on all loan prerequisites. FHA 203k loans are becoming more popular with REO properties to get around condition issues. Buyers should be prepared to escrow for repairs if needed.

Contracts are to be submitted in the actual buyer's name. Please note that assignment of contracts is **not allowed** and any contract submitted as "JOHN SMITH AND/OR ASSIGNS" will be rejected. If buyer is a Corporation or LLC a copy of the formation documents, certificate of good standing from the Secretary of State and any resolution for the entity stating what the powers of the entity are and who is authorized to act on behalf of the entity are required to be submitted with the offer. **PLEASE NOTE THAT A CERTIFICATE OF GOOD STANDING IS NOT A PRINT SCREEN FROM THE SECRETARY OF STATE WEBSITE.** The cost for a Certificate of Good Standing is \$5.75 and can be paid by credit card & the certificate printed immediately for all Florida entities. If you need additional assistance with this process please contact the REO department. If buyer is purchasing property through their Trust, a copy of Trust Agreement must be submitted with the initial offer package. Pertinent pages are the first page showing the correct titling of the Trust, the page listing Trustee(s) and their powers, and the signature page showing the trust agreement has been acknowledged. The Seller may not agree to a change in the buyers name from an individual to an entity or to adding an additional buyer so please make sure the initial offer is made in the actual name that will be taking title.

When submitting a **cash** offer please provide proof of funds for the buyer for the **full purchase price**. Proof of funds can be no more than 30 days old. If offer is accepted and final agreed price is more than initial offer price be prepared to provide addition proof of funds for additional funds. Again, any offers submitted without the sufficient, acceptable proof of funds will be rejected.

Agent should read the Agent Notes thoroughly before submitting offer package. All instructions for correct submission of offers and other pertinent information can be found within the Agent Notes on the MLS. Offers that do not include all required documentation listed in Agent Notes will **NOT** be submitted per seller request. **Do not** fax in pieces! This means don't send the pre-approval letter the next day. Send everything at one time please.

All REO transactions are **subject** to senior management approval, investor approval and/or mortgage insurance approval and **NOT** considered accepted until Seller signed contract is received. Seller addendums usually follow seller acceptance and should be considered in a counter format when returned to Buyer(s) for signatures. Again, nothing is considered 'accepted' until you receive the Seller signed contract. **Very important to remember!**

Sellstate Gulf Coast Realty | REO Department | Brandon Vinyard
5705 N Davis Hwy Pensacola Florida 32503 | Office 850.472.2500 | Fax 850.434.3788
Contract Email contracts@sellstategcr.com | Contract Fax 866.910.1596

When submitting offers on REO properties and Buyer is requesting a Seller contribution to their closing costs, this should be presented as one lump sum and **not** itemized. Agent should **not** submit Closing Cost Addendums with offer package. This addendum will **not** be presented nor signed by the Seller. The seller wants to see a lump sum figure so they can more accurately project their net proceeds which will often determine if they can accept the deal.

Agent and Buyer should be aware that REO transactions may at anytime during negotiations become a Multiple Offer Situation. **Please be aware that the Seller reserves the right to accept any offer of their choice regardless of the order in which they are received, countered, or presented.**

Inspection period for REO transactions begins when **verbal acceptance** is given to Agent. This is directly from the seller on how they view the inspection timeframe. Majority are 7-10 days, which is ample time. Some clients do not allow inspection contingencies. If not, Buyer(s) will have a period of time before the addendums are due back to complete inspections if needed.

Please plan for closing dates 45-60 days out for any government loans like FHA or VA and 35-40 days out for conventional loans. Cash deals should be a minimum of 21 days. If for any reason the seller does not like the closing date, they will counter. The goal is to keep from having to get closing date extensions, which take added time and resources. Try not to close the last week of the month if at all possible.

EMD – must be in “*certified funds*”. For cash deals EMD should always be a minimum of 10% of the purchase price or \$1,000, whichever is greatest. Financing offers should always be a minimum of \$1,000. *The larger the EMD, the better the chance the seller is going to take the offer! It shows the seller the buyers’ commitment to the seller.* Be prepared to show proof of loan down payment. A majority of the REO companies now want to ensure buyers have the funds for their loan down payment before accepting the contract.

Corporate sellers **do not** have prior surveys, appraisals, WDO reports, etc. and will not provide such to the buyer(s). These types of sellers have never occupied the properties and **will not** provide any seller disclosures pertaining to property condition. Get a home inspection if concerned. Once inspections have been completed please notify our office via email.

Once an offer has been accepted you will be sent the seller addendum for execution. **Please read the email that accompanies the addendum completely!** NOTE – THERE CAN BE NO REVISIONS MADE TO THE ADDENDUM AT ALL!! There is a 24 hr turn around for all addendums to be returned by selling agents to the REO Department **regardless** of what is stated in the addendums. Failure to adhere to this timeline may result in your offer being rejected by the seller.

This document is to be signed by both Agent and Buyer and is to be included with offer package.

Buyer: _____

Buyer: _____

Selling Agent: _____

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