



## REO Offer Instructions

Re: Property Address: \_\_\_\_\_

Dear Cooperating Agent and Potential Purchaser,

Thank you for showing our listings!

The property you are considering is a bank-owned foreclosure, also known as an REO. There are several differences between REO transactions and transactions involving regular residential real estate. These offer instructions are designed to inform you of what to expect throughout the transaction.

To make the transaction as smooth and comfortable as possible, please acknowledge the following:

- 1) Seller requires that all offers include the Residential Sales Contract, pre-approval or proof of funds, corporate resolution and copy of Earnest Money Check (NO PROMISSORY NOTES) in order to be considered. Additional addenda may be required to be signed ONLY after an offer has been verbally accepted.
- 2) You may fax offers directly to Matt Vaneck's office at 216-941-7609. Please call Matt Vaneck's department at (216) 941-7600 to confirm that we have received your offer.
- 3) Earnest Money to be held by seller's choice of Title Co. Any exceptions to this rule will be communicated when addenda are requested. Most sellers require a minimum of \$1000 earnest money.
- 3) This property is a foreclosure, or bank-owned property. THERE ARE NO DISCLOSURES.
- 4) Response from seller will take a minimum of 24hrs and can take as long as 2 weeks. Be assured that you will be contacted as soon as we receive a seller response.
- 5) All negotiations are verbal until final contracts and addenda are signed by the seller. Some sellers may require documents with original buyer signatures. It is the responsibility of the Buyer's Agent to deliver such to Listing Agent's office.
- 6) The property is being sold "AS-IS". (NOT "AS-IS" with limited warranties) Any personal property on the premises is not warranted and may not be included in the contract.
- 7) Seller will not issue a written rejection or counter the buyer. You will be notified of the seller's decision by the listing agent.
- 8) Once an offer is accepted verbally, the corrected contracts, all addenda and a copy of the Earnest Money check MUST be in our office within 24 hours. Earnest Money must be made out to and sent directly to the Title Co., via a Certified Bank Check.
- 9) Seller will make no repairs after the contract is signed.
- 10) Buyer/Agent must verify all property information, including size of home, amenities, lot size, schools, etc. Most institutional sellers will not pay a commission to a buyer's agent acting as principal.
- 11) There is a penalty for closing delays not caused by the sellers; this can vary from \$28/day to \$250/day and it will be part of the contract and/or Addendums. This is not negotiable.

12) If Buyer requests water to be turned on for inspections, the Buyer's Agent will need to make the necessary arrangements to meet the utility companies at the property at the time of the connection. The water will be shut off after the inspection is complete. The buyer agrees to provide a check or money order in the amount of \$400.00 to De-winterize and Re-Winterize the property, payable to Westway Realty. The buyer cannot turn the water back on until after closing.

13) At no time will the Buyer's agent give out the lockbox combination to anyone including the buyer(s), contractors, inspectors or any other party. An agent must be present at each showing, inspection or visit to the property. No repairs, renovation or alterations of any type shall be performed by anyone without the consent of the seller before closing.

14) Some sellers may charge the purchaser an administrative technology fee of approximately \$150, for web-based offer management systems, etc. Some sellers may require the purchaser to assume some closing fees which are customarily charged to the seller.

15) Seller will only pay commission on net offer price (offer less any concessions). In negative equity situations, seller may negotiate commissions for both listing and selling agents.

16) All offers are subject to seller's acquisition of sheriff's deed. This, and other seller-related title issues, may cause closing delays.

***Thank you, again, for your interest. Your cooperation is essential and greatly appreciated! We look forward to working with you!***

**Please acknowledge below and return with offer package.**

\_\_\_\_\_  
Agent (print name)

\_\_\_\_\_  
Agent (signature)

\_\_\_\_\_  
Purchaser (print name)

\_\_\_\_\_  
Purchaser (signature)

\_\_\_\_\_  
Purchaser (print name)

\_\_\_\_\_  
Purchaser (signature)

**Westway Realty REO Dept.  
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