



## PROCEDURE FOR SUBMITTING OFFERS ON SHORT SALE HOMES

Thank you for your interest in our “Short Sale” properties. To assist you in getting your offer accepted, we have prepared some important information and instructions to help you get your buyer to a successful closing.

- **SHORT SALE or PRE-FORECLOSURE SALES:** Your offer will be submitted as “SHORT SALE”. This means that the lien holders (people or organizations that have a financial interest in the property) may be willing to accept less than what is owed to them in order to get the house sold and off their records. If you are submitting an offer on a short sale, it is especially likely, that banks, mortgage companies and other lien holders may take more time than the average seller for review of your offer, so please be patient. Your offer will not be sent to the lien holder (s) for their review until the seller has approved it.
- Pre-Foreclosure is different from buying a regular resale. You and your buyer should know: The bank which must approve the sale has never seen the property. They use multiple photos, CMAs, BPOs and Appraisals to determine the price. The bank’s representative works 9 to 5 Monday to Friday. They have NO personal feelings about this property, you or your buyer, beyond the buyer’s ability to complete the purchase. Each short sale asset manager is unbelievably busy.
- Your offer frequently goes through several departments and people in different parts of the country before an answer will be given. It can take a very long time (up to several months) for them to get an answer to us. We will then email or phone you with the response. Offers will only be presented during business hours.
- Your offer must be complete before it can be presented. Use the attached to make sure you have included all forms and information for a complete offer.
- If you have a finance contingency, FHA or VA form, make sure it is included. If your buyer is paying cash, they MUST have a proof of funds letter from their bank.
- An offer without a Finance Contingency will be considered to be cash, and will require a Proof of Funds letter from the buyer’s bank. Cash offers require 10% of purchase price as Earnest Money to be held by Seller’s designated closing attorney. All documents must have recent dates, phone numbers and/or emails and be signed. By the listing bank’s specific instructions we cannot present incomplete offers. All attachments have to be included.
- Because Short Sale properties are such great deals, there are often competitive offers, and sales go to the highest and best offer. We must be able to reach you to permit your buyer to participate. If we are not able to reach you on a deadline, you may not be able to buy the house.
- An accepted offer results in Seller Addenda being sent to you via email. When you have received the Seller Addenda, you must return them correctly signed and initialed, along with the correctly signed and initialed contract. The certified funds must be sent to the closing attorney within 48 hours of Binding Agreement Date with the Seller. There will be a later date of confirmation from the bank prior to closing.
- **APPROVAL & ‘UNDER CONTRACT’:** Once the seller has approved a sale, the listing will be placed “Under Contract with a Contingency”. The seller and lien holders are free to look at competing offers until an offer is fully accepted.
- **SPECIAL REQUESTS:** If the buyer is requesting a seller contribution for closing costs, please make sure this is included in the special stipulations section. Other requests such as a home warranty are at the buyers expense. Closing costs are deducted from the sales price for commission accounting. Any closing costs paid by the seller are not commissionable.
- **PRE-APPROVAL FOR MORTGAGE:** If your purchaser is financing the property sale, they MUST have a pre-approval for the specific purchase through our preferred lender: Lisa Armistead, Atlanta Mortgage Group, 678-615-5226. A letter to that effect must accompany all offers. Offers without a pre-approval cannot be submitted to the bank or owner. This requirement applies regardless of which mortgage company will actually do the loan for your buyer. It will not negatively affect your client’s credit rating to shop a mortgage through additional companies.

- **MOLD STIPULATION:** Your offer must have the language involving MOLD as follows:  
*“The listing broker may unknowingly list properties, and the selling broker may unknowingly show properties, which contain mold. Molds are naturally occurring organisms which may potentially cause harm to humans. The brokers are not experts with regard to molds or the health effects of mold exposure. It is the sole responsibility of the Buyer to retain the services of appropriate professionals to inspect any property they contemplate purchasing to determine the presence of any mold.”*
- **EARNEST MONEY STIPULATION:** Your offer must have the language involving EARNEST MONEY as follows:  
*“All parties agree that earnest money shall be delivered to holder within 48 hours of Binding Agreement Date”*
- **EARNEST MONEY GUIDELINES:** (may be specified differently by lender):
  - For Financed Sales:
    - Homes listed under \$100,000, suggested earnest money between \$500 and \$1,000 (or more)
    - Homes listed over \$100,000, suggested earnest money between \$1,000 and \$3,000 (or more)
  - For All-Cash Sales:
    - 10% of Purchase Price (minimum)
- **NO SELLER DISCLOSURE:** There will likely not be a Seller Property Disclosure form. Once you are under contract, buyers may have an inspection of the property
- **‘AS IS’ SALE:** All properties are sold ‘as-is’. If there are appliances or other personal property in the house after it has been readied for sale, they may remain with the property, however the seller will not warrant them and will not acknowledge them as remaining with the property. Buyers should be sure to stipulate their requests.
- **INSPECTIONS ARE INFORMATION ONLY:** Any inspections are for your buyers information ONLY! Do not send any inspection reports to the listing agent, as they will be destroyed immediately without being read. The seller will generally not consider repairing any conditions unless they affect the home’s habitability or the occupant’s safety. Please plan accordingly!
- **UTILITIES:** Will either be on because the home is occupied, or buyer may turn on utilities in their name for inspections. Once the inspection is completed all utilities must be returned to “off” and we must be informed by the buyer’s agent all inspections have been completed.
- **TERMITES:** The property may or may not have been inspected for termites and other wood-destroying organisms. Responsibility for any inspections and warranties will remain with the buyer. The seller will not inspect or pay for any treatments, nor will they provide any letters required by the purchaser’s lender.
- **CONTINGENCY CONTRACTS:** The seller is not able to accept any contingency contract based on a buyer selling their home.

- Please submit your offer via fax to 404-920-2946 or email to [jaminvogel@msn.com](mailto:jaminvogel@msn.com). Please call to insure the offer has been received.
- **SUBMITTING YOUR OFFER:** Your offer must be accompanied by a fax cover page (must be completely filled out—the fax cover form is attached)
- Your offer must include:
  1. Completed **PURCHASE & SALE AGREEMENT** (GAR contract form) showing Closing Attorney as holder of the earnest money, and paragraph 7 showing “**SELLER TO SELECT CLOSING ATTORNEY**”.
  2. Your special stipulations must include the **MOLD STIPULATION** (mentioned above), and if required, the **ADDENDUM TO PURCHASE** must be included as one of the Exhibits to the Agreement.
  3. Buyer-signed copy of **LEAD-BASED PAINT DISCLOSURE**— Exhibit C
  4. Signed and Initialed **BUYER ACKNOWLEDGEMENT** form
  5. Copy of **EARNEST MONEY CHECK** payable to **KEY REALTY**
  6. Copy of **MORTGAGE PRE-APPROVAL LETTER** for financed sales or **PROOF OF FUNDS LETTER** for cash sales
- Please submit your offer via email to [info@keyrealtyatlanta.com](mailto:info@keyrealtyatlanta.com) or fax to 404-381-8071. Please call to insure the offer has been received.

Thank you,





## BUYER ACKNOWLEDGEMENT FORM

Purchaser (s): \_\_\_\_\_

Acknowledge, understand and accept the following requirements which are made an integral part of the Purchase and Sale Agreement to purchase the property at:

\_\_\_\_\_, \_\_\_\_\_, GA \_\_\_\_\_

Buyer (s) must initial each blank:

\_\_\_\_\_ **APPROVAL & 'UNDER CONTRACT'**: Once the seller has approved a sale, the listing will be placed "Under Contract with a Contingency". The seller and lien holders are free to look at competing offers until an offer is fully accepted.

\_\_\_\_\_ **NO SELLER DISCLOSURE**: The seller of the home may not have occupied the home, and there will not be a Seller Property Disclosure form. Once you are under contract, you may have an inspection of the property

\_\_\_\_\_ **'AS IS' SALE**: All properties are sold 'as-is'. If there are appliances or other personal property in the house after it has been "trashed-out", cleaned or repaired, they will remain with the property, however the seller will not warrant them and will not acknowledge them as remaining with the property.

\_\_\_\_\_ **INSPECTIONS ARE INFORMATION ONLY**: Any inspections are for your information ONLY! Do not send any inspection reports to the listing agent, as they will be destroyed immediately without being read. The seller will generally not consider repairing any conditions unless they affect the home's habitability or the occupant's safety. Please plan accordingly!

\_\_\_\_\_ **UTILITIES**: May be on because the home is occupied or buyer may turn them on for inspections. It is your responsibility to see the utilities are on inside the house for FHA/VA. Once the inspection is completed all utilities must be as they were before the inspection, and we must be informed by the buyer's agent all inspections have been completed. Utilities will be disconnected effective on the scheduled closing day. If your purchaser needs a final walk-through on the day of closing, utilities may not be on. You should have all utilities placed in your name as of the date of closing. If utilities are disconnected and closing is delayed due to you or your lender, we will not be responsible to reconnect utilities.

\_\_\_\_\_ **TERMITES**: The property may or may not have been inspected for termites and other wood-destroying organisms. Responsibility for any inspections and warranties will remain with you. The seller will not inspect or pay for any treatments, nor will they provide any letters required by your lender.

This BUYER ACKNOWLEDGMENT FORM MUST be included in your initial offer to purchase. If this form is not completed and sent in along with the initial offer it may delay presenting your offer. Thank you, and we look forward to working with you.

