

REQUIRED Offer Checklist

Office phone: 858-457-5368

Following these instructions helps us respond to your offer faster. Thank you!

- ◆ **YOUR OFFER IS INCOMPLETE w/o this form + required documents below**
- ◆ **For questions, see "Explanations & FAQs" below**
- ◆ **EMAIL your offer + forms to Team@GaryKent.com**

Basics

Date: _____ Property Address: _____

Buyer's Agent

Name: _____ Cell#: _____

Email: _____

Buyer's Lender

Name: _____ Cell#: _____

Email: _____ Firm: _____

AGENT: Check each box below for each item completed/attached.
Your offer cannot be submitted until all are completed

OFFICE
USE

Check Required Items

Read & Check Off Every Item Below

- | | | |
|---|---|--------------------------|
| <input type="checkbox"/> 1. Required PreApproval attached
(For offers w/ financing)

<i>NOTE: If you're working on it, please send your offer now and tell me the status in your email.</i> | <input type="checkbox"/> A) If under 25% down, you MUST send a cross-qualification from the lender in MLS remarks. Please do not ask if it's required. If in process, send your offer and note the status.
<input type="checkbox"/> B) Borrowers on preapproval match the buyers on offer.
<input type="checkbox"/> C) PreApproval states financing type (e.g. conv., FHA, VA).
<input type="checkbox"/> D) PreApproval loan or price meets or exceeds that on offer.
<input type="checkbox"/> E) For condos, lender has verified complex supports financing.
<input type="checkbox"/> F) Any city/county/state or other special assistance clearly disclosed. | <input type="checkbox"/> |
| <input type="checkbox"/> 2. Proof of Funds attached | <input type="checkbox"/> A) Proof of funds for down + closing costs MUST show buyer name & be legible . Circle balances & cross out account #s.
<input type="checkbox"/> B) Double-check that you're sending sufficient proof of funds. If multiple statements, please add amounts to show the total. | <input type="checkbox"/> |
| <input type="checkbox"/> 3. FICO Scores attached
<i>Not needed for cash offer</i> | <input type="checkbox"/> A) Credit report page(s) showing FICO scores & buyer name(s). Please do not send extra pages if possible. | <input type="checkbox"/> |
| <input type="checkbox"/> 4. Offer attached | <input type="checkbox"/> A) NO "assignee" or "nominee"
<input type="checkbox"/> B) Closing date or # of days filled in
<input type="checkbox"/> C) Realistic price. Lowball offers will not be considered.
<input type="checkbox"/> D) Financing boxes checked if VA or FHA.
<input type="checkbox"/> E) Financing \$\$\$'s filled in correctly and completely.
<input type="checkbox"/> F) Financing consistent w/ MLS (e.g. VA only if offered VA in MLS)
<input type="checkbox"/> G) Loan amount, down, & financing consistent w/ preapproval.
<input type="checkbox"/> H) If pest control clearance desired, put it in offer. We're NOT suggesting you ask for a clearance. But if you ask later, you won't get one. <i>A pest control report is likely attached in MLS.</i> | <input type="checkbox"/> |



Thanks again! This helps submit your offer faster & avoid problems later!

Explanations & FAQs for the **Required Offer Checklist:**

Please do NOT send me this FAQ with the Required Offer Checklist. 6/13/20

I know you're busy and appreciate your time completing the Required Offer Checklist. It's a bother, but it assures your offer has everything we need to respond ASAP.

Notes: Numbers like "(1A)" correspond to numbers on the Checklist. "Termite" is used in place of "pest control."

(1A) *Regarding the required pre-approval with a specific lender, my client is already approved w/ another lender. Won't that work?*

⇒ Not unless your client is putting 25% or more down.

Instead of the buyer, can the buyer's lender talk with the required lender?

⇒ Probably not, but it's up to the required lender.

Is a Desktop Underwriting (DU) Approval sufficient?

⇒ No. "Garbage in, garbage out." Anyone can get DU approval using incorrect, unverified, or incomplete data, only for the borrower to be UN-approved later.

But my clients don't want their credit run again...

⇒ Running credit again in a short time for the same purpose shouldn't affect FICO scores. Or you can give a copy of a recent credit report to the required lender.

(1B) *What's this about the buyers on the pre-approval matching the offer?*

⇒ If the pre-approval says Sam and Suzy Smith are qualified together, the offer must be from both Sam and Suzy, not just one.

(1C) *I have a pre-approval saying my client qualifies for \$XXX. Why do I need a new pre-approval showing financing type and down payment?*

⇒ The letter must state loan type and down payment (or loan amount). Otherwise while your client may be qualified, we can't tell if they're qualified to buy with the financing in the offer.

(1D) *How high should the pre-approval be?*

⇒ As high as possible. The more qualified your clients are, the more motivated we are to sell to your client. Also, if the price is negotiated over the pre-approval amount, we'll need an updated one.

(1E) Why does my lender have to look into financing for condos?

- ⇒ Many loans have special guidelines for condos about owner-occupancy, condo complex approvals, % of HOA dues that can be delinquent, % of units owned by one party, down payments, etc. Tell your lender the address so he/she can research it and we know your client can get a loan.
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(1F) What kind of city/county/state assistance must be disclosed?

- ⇒ Any down payment, "silent second", or other loan program.

What if it's not disclosed?

- ⇒ Financing is a big factor in which offer to accept. As a "material fact," it must be disclosed up front. If not, the seller may cancel and possibly keep the deposit.
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(2A) Can I get you "proof of funds" later?

- ⇒ Yes, but it makes your offer weaker. Please provide with the offer if at all possible.

Any other requirements for Proof of Funds?

- ⇒ Proof of funds MUST clearly show the buyer's name. Screen shots or documents that don't show names are not acceptable.
- ⇒ For long or confusing statements, please circle balances.
- ⇒ For your client's protection and privacy, please line out all account #'s.
- ⇒ Be sure all documents are legible.

(2B) Please be sure the Proof Of Funds shows enough funds!

- ⇒ PLEASE do the math to be sure you're sending proof of sufficient funds for down payment and closing costs. If several statements, adding up the numbers is helpful.
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(3A) How do I provide my client's FICO credit scores?

- ⇒ Provide only the page(s) of their credit report(s) w/ their FICO scores. Please do NOT send all pages of the credit report.
 - ⇒ This is obviously not required for cash offers.
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(4A) No "assignee" or "nominee"

- ⇒ We don't want people "flipping" a home to another buyer *during* escrow.
 - ⇒ If your client may want to buy in a family trust or LLC, write "Sam Smith &/or Smith Family Trust". If your client wants to add another buyer (spouse?) later, the seller won't care so long as they're qualified and it doesn't delay closing.
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(4B) Closing date or # of days filled in

- ⇒ Unless your client needs a specific date, please put # of days.
-

(4C) What's a realistic price? How negotiable are they?

- ⇒ I can't tell you what's realistic or what the seller will take. Don't expect a deep discount off the list price, even for cash offers.
 - ⇒ Many sellers are offended by low offers. Is offending the seller a smart strategy to get your offer accepted?
-

(4D) Financing boxes checked if VA or FHA?

- ⇒ Many agents forget to check these boxes when the loan is VA or FHA.
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(4E) Financing \$\$\$'s filled in correctly & completely?

- ⇒ Many agents fill them in wrong. Financed offers end up looking like cash offers and vice-versa.
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(4F) Why can't I write an FHA or VA offer if you're not offering FHA/VA?

- ⇒ Many of our listings are offered with VA/FHA financing. For various reasons, some are not. This could be due to general condition, the termite report, the condo complex, or other reasons. To save your client from disappointment and you and I from wasting time, please only bring offers with financing offered in the MLS.
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(4G) What do you mean by "loan, down, financing consistent with pre-approval"?

- ⇒ If the pre-approval says 20% down, we can't accept a 10% down offer. If the pre-approval is conventional, we can't accept FHA. Either write the offer consistent w/ the pre-approval or get a new pre-approval for the financing you want to use.
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(4H) Pest control / termite clearance

- ⇒ If you don't ask for a termite clearance now, you won't get one later.
But if we don't get a termite clearance, we can't get a loan.
- ⇒ A common misconception. Except for VA, almost no loans have a blanket requirement for a clearance. However, if you ask for an inspection, the lender may require a clearance. For that reason, if there's no clearance, we'll probably counter out the inspection...but still give you a copy of the report if we had it done.
- ⇒ Note that there's probably a pest control inspection attached in the MLS unless the listing is very new.