

Home Orbit Certified Cash Program

Steps in making an offer through Home Orbit's Certified Cash Program.

Step One:

Client must be in the Certified Buyer Program (APPROVED for the loan) – contact Service First Loan Officer.

Step Two:

Writing cash offer and finance offer simultaneously.

Home Orbit Cash offer:

- Contract written between Home Orbit and Seller – AZ Purchase Contract
- Home Orbit signs all docs that a normal buyer would sign through the DocuSign system. (i.e. Sellers Disclosure, Mandatory HOA, TILA- RESPA, Lead Paint, etc.)
- All documents signed by Home Orbit

Name on contract:

Home Orbit
6800 Weiskopf Ave
McKinney, TX 75070
CertifiedCashoffer@homeorbit.com

- Inspection Period - ALL contracts must have an Inspection Period of at least 3 days between Home Orbit and Seller.
- Home Orbit will do an Automatic Valuation on the home. They will provide a range of value.
- Title work is to be completed by WFG Title – no exceptions because they save clients' money on a one-title policy and electronic closings.

WFG Title
Krista Diaz
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Financed Offer for Client:

- Contract written between Home Orbit and client, utilizing the AZ Purchase Contract.
 - **Buyer must execute the “Additional Clause Addendum” full appraisal waiver (page 2, line 32 check box).
- If buyer offers over asking price, they will be required to pay the difference as part of the Earnest Money.
- WFG Title will be the designated title company for financed offer.

- Cost to provide cash offer is 2% of sales price/contract purchase price; 1% will be rebated back to client if closing with Service First Home Loans.

Upon execution of the contract by the Seller (Home Orbit), the client will send in or wire the following:

- Earnest Money (Earnest money will be the amount of cash contract earnest money PLUS any amount offered over list price)
 - Participation fee - 2% of sales price/contract purchase price
- Write the inspection period for one day less than the contract states between Home Orbit and the seller.
 - Buyer immediately signs the same documents Home Orbit signed (Seller's Disclosure, TILA-RESPA, etc.) Client is to be informed on all documents (i.e. Foundation repairs, Sellers Disclosure etc.
 - Under sales commission on the second contract between client and Home Orbit, write in zero. Agent will be paid on the first transaction only. This is a simultaneous close.

Additional Documents:

- HOME ORBIT CERTIFIED CASH REAL ESTATE AGENT ACKNOWLEDGEMENT
 - Document discloses commissions earned on first transaction only and not on second simultaneous close.
- ADDENDUM TO ONE TO FOUR FAMILY RESIDENTIAL CONTRACT
 - This document identifies that it will be a simultaneous closing
- OTP - INSTRUCTIONS AND ACKNOWLEDGMENT

Example:

House Lists for \$300K

Your client offers \$350K

• Earnest money is minimum:	\$ 3,000
• Difference between offer and list price is:	\$50,000
• Participation fee is 2% of \$350K:	<u>\$ 7,000</u>
Total to title:	\$60,000

****** Remember 1% will be rebated upon consummating loan with SFMC.***

Automatic evaluation states the house range and will not be used as the loan valuation vehicle; a full appraisal will still be done for the financed client contract.

Stages of backing out and what happens to the money:

If cancellation occurs during the Inspection period stated, on both contracts, between your client/buyer and Home Orbit:

- All money is refunded
- Agent will do a termination between Home Orbit and Seller and request all Earnest Money, deposit of difference between offer and list price and the 2% Participation Fee minus \$250 administration fee
- Agent will do a termination between client and Home Orbit

If Client cancels or fails to close for any reason between the end of their Inspection period and the closing date:

Client loses the following:

- Earnest Money
- Difference between the list price and the contracted sales price
- 2% Participation Fee

How this affects the AGENT:

Client cancels during Inspection period:

- No money to the agent

Client cancels after the last day of the Inspection period up to closing date:

- Agent receives commission at closing between Home Orbit and Seller
- Home Orbit is not in the business of keeping the homes
- Agent may be allowed to resale the home at 1.5% commission for listing and 3% for buyer's agent – 4.5% total
- Agent creates a new listing agreement between the Broker and Home Orbit