

REO Quick Reference

1. Look for indications as to pre-approval requirements. Currently Wells Fargo and Countrywide REO properties require a Wells Fargo or Countrywide pre-approval to be uploaded with your offer. The buyer does not have to use them. Pre-approvals must have a dollar amount the buyer is approved for.
2. Without a proof of funds, your offer cannot be submitted. Even cash offers require the proof of funds to be uploaded with the offer. The proof of funds has to have a dollar amount on it. It can be a bank statement, letter from the bank on their letterhead, deposit slip or print out from the internet. But the bank information such as logo, address, etc., must be on it.
3. Having #1 or #2 above completed before writing an offer means you are good to go.
4. Sometimes turning on the utilities is the buyer's expense. On HUD properties, it also means turning them back off and de-winterizing and re-winterizing the property.
5. No repairs are to be done on any bank owned/HUD property.
6. Possession cannot be given until closing and funding of sale.
7. Find an experienced Realtor. Bank owned purchases have time sensitive deadlines and when not met, your earnest deposit is at risk.
8. Do thorough inspections, if extra time is needed, ask for it ahead of time.
9. With REO properties, boundary lines are not known, do a survey as it is worth the peace of mind.
10. Closing is final. Ask for your figures to review the property tax pro-rations.

