



Sandy Jamison, Broker
DRE#: 01416124
5542 Monterey Road #311
San Jose, CA 95138
408-802-4017 ph
888-584-2084 fax

OFFER INSTRUCTIONS FOR FANNIE MAE OWNED/MANAGED PROPERTIES

Please read and follow these instructions carefully.

DISCLAIMER:

Information in this document is being supplied to you as a courtesy only and is NOT to be construed as law.

SUBMITTING YOUR OFFER

The seller, Fannie Mae, has directed that all offers on this listing be made online on HomePath.com. If you already have a HomePath account, go to <http://www.homepath.com> and click the "Log In" button. When prompted, enter your ID and password. Locate the listing in which you are interested in the Online Offers markets. Click the 'Make an Offer' button to submit your offer. If you do not have an agent account on HomePath.com, search the listing in which you are interested in the Online Offers markets, click the "Make an Offer" button, click the "Register Now" button, and continue through the registration and offer process. Registration is only necessary the first time you log in to make an offer.

Agents may access training materials and webinars by visiting:

<http://www.homepath.com/offerQuestion.html>

FANNIE MAE TERMS

1. A complete Fannie Mae offer consists of the 8 page CAR Form RPA-CA , the Fannie Mae Addendum, a mortgage pre-approval letter (or proof of funds with cash offers) copy of EMD, and if applicable; Owner Occupancy Certification.
2. Fannie Mae's addendum will override the contract.
3. All sales are "AS IS". The seller will not make repairs of any kind. All reports and inspections are for informational purposes only.
4. There are typically no inspection reports available, if so it will be posted to Doc Central.
5. The Seller is educated to mortgage practices. If buyer is using a mortgage broker for financing, in order for the offer to be given the utmost consideration, Buyer's pre-approval letter should state the name of the lender the mortgage broker is submitting the loan through, which loan program, income , debt ratios, credit scores and funds to close.
6. Fannie Mae supports neighborhood stabilization through its "**First Look Initiative.**" With First Look, only offers from owner occupants and buyers using public funds are considered during the first 15 days a property is on the market. Investor offers will not be accepted during this time.
7. Offers from investors will be considered only after the first 15 days have passed. See <http://www.fanniemae.com/newsreleases/2009/4868.jhtml?p=Media&s=News%20>, Releases for additional details.

8. Fannie Mae is exempt from paying Transfer taxes.
9. Despite local practice, Fannie Mae will not pay any realty transfer taxes. Any realty transfer taxes due on the sale of the property is the sole responsibility of the Purchaser.
10. Property taxes, Condominium fees and Homeowner's Association fees will be paid up and pro-rated through the day of closing.
11. Seller has no Condo or HOA Docs available; you must order these directly from the Association.
12. Buyer's inspection period begins when the contract is ratified by both parties. Financing appraisals are inspections and must be completed within the inspection period. Fannie Mae allows 10 days for inspections. NO EXCEPTIONS.
13. If there is a financing contingency, the addendum contains a loan commitment date. Upon that date, buyer's deposit will become non-refundable.
14. All buyer loan documents must be submitted to the title company 72 hours prior to closing.
15. Cash buyer deposits are non-refundable following the inspection period. Investors will be required to accept a deed restriction prohibiting the flipping of the property for more than 120 percent of purchase price for 90 days following purchase.

COMPLETING THE CONTRACT

1. Seller's name on contracts and disclosures must state "Fannie Mae" or "Owner of Record".
2. When entering dates on the offer, please always enter actual dates, not days needed to close. Example; Close date should read as "01/01/13" rather than "45 days."
3. All number fields must be input as \$ figures; NO "%", "balance" etc.
4. If your buyer is using Homepath financing and/or requesting Seller concessions in the form of credits, be sure to write this under paragraph 2.D Additional Financing Terms.
5. All terms, conditions, and Seller paid costs must be specified in the addendum. Exact dollar amounts for repair or closing cost credits must be outlined in paragraph 2.D. (REMEMBER STATE TAXES OR TRANSFER FEES WILL NOT BE NEGOTIATED- IF THEY ARE REQUESTED YOUR OFFER WILL BE REJECTED)
6. The Seller will not give closing cost credits for all-cash transactions.
7. Fannie Mae will not accept a close date during the last three days of the month or on a weekend. When disclosing the close date allow 3 days "cushion" period to account for any unsuspected delays/issues.
8. Purchaser's option of title and escrow closing services.
 - a. Use Seller's escrow closing and title provider and title insurance company used by Seller's provider. If Purchaser selects this option, Seller agrees to pay for the owner's title insurance, limited to the amount that Seller would ordinarily pay to its provider for a basic owner's policy.
 - b. Use another escrow closing and title provider. If Purchaser selects this option, Purchaser agrees to pay for all title insurance costs associated with the transaction regardless of local custom or practice. Buyer will also pay their own escrow fees.

9. Be sure to include a copy of the pre-approval letter, proof of funds (bank statements), and copy of earnest deposit check along with the offer. Any missing information may result in your offer being rejected or placed on hold.
10. Proof of funds must show enough liquidity to cover the earnest deposit and down payment.
11. Earnest money check should be made out to "_____ Title Company" and should be 3% of the purchase price.
12. Pursuant to Section 23 of the Fannie Mae Real Estate purchase addendum, the property is on a master lock and will be rekeyed prior to closing. We will order a rekey of the property as close to the closing date as possible. The *cost is a Buyer expense* and will be charged to the Buyer on the HUD.
13. All documents must be legible copies. If the print is not legible it will be rejected.

COUNTERS, ACCEPTANCE, EXECUTED CONTRACT

1. **COUNTERS** – upon registering with homepath.com you, the selling agent, will have full access to your buyers offer status. Please be sure to login and review seller counters and status updates.
2. **OFFER ACCEPTANCE:**
 - a) The seller reserves the right to accept or reject any offer for any reason.
 - b) Counter offer acceptance is subject to senior management approval.
 - c) No sales transaction is officially accepted until seller signs written contracts.
 - d) Seller has the right to continue to accept new offers as they come, until a binding agreement has been made.
3. **FINAL CONTRACT** - Once negotiations are complete and the Seller has agreed to your offer terms, a new contract will be drafted with the final terms and conditions along with the Sellers Real Estate Purchase Addendum. The Seller does not sign Counter offer forms or other Addendums.

TIMELINES AND STATUS UPDATES:

4. **OFFER STATUS**
 - a. Please do not call to find out the seller's bottom line (I have a fiduciary duty to my seller). I don't know their bottom line, I don't want to know, and if I did know I would never disclose this information to you.
 - b. Do not call me to ask how many offers we have in or what price they are coming in at. We treat all offers confidentially and will not disclose to you the other persons offer amount.
5. **RESPONSE** - Please allow Seller 3-5 business days to respond to your buyer's offer.

DISCLOSURES:

1. **The seller will only sign CAR disclosures that are "required" for REO sales.** If you are not sure you can check the CAR website for what is required versus recommended.

2. **It is strongly suggested to include the following disclosures with the final contract for execution:**
 - Lead Based Paint – The Sellers Lead Based Paint Disclosure form must be initialed and signed by the Purchaser, no other LBP forms will be executed.
 - Water Heater/Smoke Detector Statement (CAR version)
 - Agency Disclosure Statement (CAR version)
3. As the listing broker we may also send you a full set of disclosures that we would like the buyer to sign as part of the transaction, however in most cases the seller/bank will not sign or acknowledge them.

AMENDMENTS WHILE IN CONTRACT

1. Any change to the closing date, including contract extensions, or change in terms must be submitted using the sellers Amendment Form and signed by all parties.

- END-