

## **Creed Smith & Company**

Instructions for all bank owned property offers:

**If you have questions regarding these instructions EMAIL is the fastest way to contact the appropriate Transaction Coordinator!!!  
Email [Jasmine@Creedco.com](mailto:Jasmine@Creedco.com) with your questions.**

In your and your client's best interest, and to give you the best opportunity to get your offer accepted by one of the banks that we represent, please consider following the guidelines below. We put these together after having represented many different banks for several years. We've got a pretty good idea what the banks want from you and we are giving you that information below in hopes your offer will go through on the very first try. To be honest, most banks will not even allow us to submit your offer unless they meet the following guidelines.

Please keep in mind that the asset managers with the banks are not dumb bureaucrats; they are skilled and informed professionals—and honestly quite demanding. They have told us (often times requiring from us right in our listing agreement) what they want before they will accept—or often even look at an offer. We are forwarding that information to you now so your client can soon own a home.

**ALL OF OUR BANK OWNED PROPERTIES ARE TRULY SOLD AS IS. THE BANKS WILL NOT NEGOTIATE ON YOUR INSPECTION NOTICE, AND THEY DO NOT DO REPAIRS. PLEASE MAKE YOUR OFFERS WITH THIS IN MIND.**

**Our clients require us to have in our possession before we can submit an offer:**

- The **original** sales contract and bank addendums, if they are attached here. (If they are not attached here the Seller will provide to you once your offer has been negotiated). Our bank clients will not let us present an offer to them unless we have the original contract and bank addendum(s).
- The **original** earnest money check (we will not deposit unless your offer is accepted, and then not until all parties have signed the contract).
- A lender letter stating that the lender has pulled the buyer's credit report, evaluated the buyer's income and debt ratio, and that the lender is aware that the property will need to appraise in as-is condition. **Or, provide proof of funds for true cash offers.** Please be sure the lender's name, phone number, and email is in the letter.

Following are the instructions that pertain to the specific property you have selected on our website. These instructions vary by bank client (Seller) so be sure to reference new instructions each time you present an offer on one of our listings.

Thank you!

Instructions for this specific property:

Colorado Contract paragraph & section	Needs completed / corrected <input checked="" type="checkbox"/>	Instructions	Notes
2a	<input checked="" type="checkbox"/>	Please submit the buyer's full name, including their middle name if they use one. A corporation can be the buyer as can an LLC. However, the bank will not accept anything with "or assigns" for the buyer or in the additional provisions.	
2c	<input checked="" type="checkbox"/>	You may use specific dates within all sections of paragraph 2. However, because the corporate sellers often respond slowly, you may wish to use the Mutual Execution of Contract (MEC) provision as described in paragraph 2e of your Colorado Sales Contract to keep your dates manageable.	
2c	<input checked="" type="checkbox"/>	Seller's Property Disclosure: seller is selling as-is and will not be providing a property disclosure—or they will simply say "do not know" on everything.	
2c	<input checked="" type="checkbox"/>	<p>Inspection Objection Deadline: buyer does have the right to an inspection, or may chose to decline it. The bank's addendum may change the time frame of the inspection, so look at the seller signed addendum closely.</p> <p>You may inspect the plumbing using a "dry" air pressure test, or you may have the water turned on, de-winterized, and re-winterized at the buyer's expense. Please see the "Water Turn On" instructions attached here.</p>	
2c	<input checked="" type="checkbox"/>	<p>Closing Date: the seller often counters the closing date. Watch the dates closely and be sure your loan locks will not be adversely affected.</p> <p>Also, because the seller is out of state, and closing documents must be shipped back and forth for them to be available at closing, it is imperative that the buyer's lender to have closing figures to the title company three business days prior to the physical closing date.</p>	
2c	<input checked="" type="checkbox"/>	Possession Date: never can the buyer occupy or store anything at the property prior to closing and funding of the purchase loan.	
2c	<input checked="" type="checkbox"/>	Acceptance Deadline: some of our bank clients respond within five days to offers; others literally take weeks. Please consider using the option of "mutually executed contract—MEC" for your contract dates (paragraph 2e), or be aware that certain dates may be out of contract by the time the seller responds.	
2d	<input checked="" type="checkbox"/>	The corporate seller will be attaching their addendums to the contract, which supercede the sales contract. Most of our seller's will not accept contracts with	

		<p>addendums from outside entities attached (such as your own broker addendums).</p> <p>As a “non-legal” word of advice, the corporate seller paid an attorney lots of money to draw up the addendum(s) and will almost always reject any offer where someone has changed any aspect of the addendum or crossed through any wording.</p>	
3a	<input checked="" type="checkbox"/>	The seller is only conveying real estate in their contract. They do not include any personal possessions, appliances, remotes, or post box keys as a part of sale. You are better off stating “none” in the inclusions, or stating “any on premises at closing, sold as-is without warranty.” Usually the bank’s counter offer or addendum will spell this out also.	
3f	<input checked="" type="checkbox"/>	You can include any water right that “run with deed”, conveyed via special warranty deed.	
4	<input checked="" type="checkbox"/>	Please make your purchase figures all add up and balance out, including loan amounts for up to 2 mortgages. If you are writing a true cash offer be sure to send along proof of funds, as the bank will ask for it. This can be a copy of a bank statement, a letter from the bank on their letterhead, a copy of your IRA that you drawing from, etc. If your “cash” offer is really a line of equity or something to that affect, this needs to be disclosed in the additional provisions section of the contract (paragraph 24).	
4a	<input checked="" type="checkbox"/>	Earnest Money “held by...”—this one is tough as many of our sellers do not tell us who the title company is until we go under contract. Yet we have to deposit your earnest money immediately on acceptance of the contract to the title company. So please simply put “held by title company” in the contract (4a). Make the earnest money payable to Creed Smith & Company and we will sign it over to them.	
10e	<input checked="" type="checkbox"/>	None of our bank clients are currently accepting offers contingent on another house selling or closing.	
13	<input checked="" type="checkbox"/>	The bank will only convey title by a <b>special warranty deed</b> . No other deed is acceptable.	
17	<input checked="" type="checkbox"/>	Possession: the bank sellers will <u>not</u> pay a per diem if they cannot close on time. <b>None of them will, enter zero or N/A.</b>	
25	<input checked="" type="checkbox"/>	<p>Additional Provisions:</p> <ul style="list-style-type: none"> <li>• Buyer MAY NOT automatically change financing. Fill out an Amend/Extend if this is necessary.</li> <li>• For Inspections, include the statement that “Buyer is aware that the de-winterization and re-winterization is their responsibility at a cost of \$300 for inspection purposes.” The buyer may waive</li> </ul>	

		<p>the right to inspect the plumbing in their inspection—but this must be done in writing. See attached letter for more information on this.</p> <p>We have a licensed, insured, and bonded professional to complete this task for you. He takes full liability for any problems and damage that occurs due to the water being turned on. We very strongly suggest that you use this service. Your buyer must pay this professional at the time of inspection.</p> <p>If you choose to have another professional that is licensed, bonded and insured de-winterize and re-winterize the property (required), then they must sign a statement absorbing all liability for any damage to the property (attached with the Water Turn On instructions here).</p> <ul style="list-style-type: none"> <li>• Seller may assist buyer with closing costs and/or down payment assistance. Be sure to spell out exactly how much money the buyer is asking for, be sure the lender will allow that much for the buyer's loan program, and if it's an FHA loan be sure to include any lender costs associated you wish the seller to pay for.</li> <li>• Offers contingent upon sale or closing of the buyer's home will not be accepted by the seller.</li> </ul>	
29	<input checked="" type="checkbox"/>	<p>Please be sure that all buyers initial all contract pages and sign the buyer line of the Colorado Contract and initial each page and sign any supplied seller addendums. Please be sure to sign as the buyer's agent where required.</p> <p>If the instructions described in the broker remarks section of the MLS print out on this property reference seller addendums, they are to be signed and returned with your offer.</p> <p>Please be sure to fill in any required information on the seller addendums supplied, such as buyer name, address, date, etc.</p> <p>If no addendum was attached to these instructions, then the seller will counter your buyer with, or attach to the contract, their required addendums.</p>	

	<input type="checkbox"/>	Attached here is the seller's addendum(s) that they require completed and signed by the buyer, to be turned in with your initial offer.
	<input checked="" type="checkbox"/>	No addendum is attached here. The seller will counter with their specific addendum(s) which your buyer will need to sign and return or reject if they don't accept the terms on it.
	<input type="checkbox"/>	This property is owned by or affiliated with Wells Fargo. They <u>do not require</u> that your buyer be pre-qualified through Wells Fargo but bear in mind that this may make the offer more desirable to the Seller.
	<input type="checkbox"/>	<p>This property is owned by or affiliated with Fannie Mae. They require the following verbiage in the additional provisions section of your contract (paragraph 24):</p> <p>"Pursuant to section 28 of the Real Estate Purchase Addendum, this document is subject to all terms and condition set forth in the Real Estate Purchase Addendum."</p> <p>And</p> <p>"Grantee herein shall be prohibited from conveying captioned property to a bonafide purchaser for value for a sales price of greater than \$ (current sale price inserted by you) for a period of three months from the date of this deed. Grantee shall also be prohibited from encumbering subject property with a security interest in the principal amount of greater than \$ (current sale price inserted by you) for a period of three months from the date of this deed. These restrictions shall run with the land and are not personal to grantee. This restriction shall terminate immediately upon conveyance at any foreclosure sale related to a mortgage or deed of trust."</p> <p>This latter provision is a deed restriction and if you have any questions about its affect on your property please see your attorney.</p>
	<input checked="" type="checkbox"/>	<p><b>Please make your buyer clients aware the corporate sellers often take several days or even weeks to respond to offers.</b></p> <p>We submit your offer as soon as you have to us everything that is required including the original sale contract, bank addendums, and earnest money check.</p> <p>The corporate seller often also takes more time to respond than you are used to, including sending counter offers and negotiating deals.</p> <p>Corporate sellers often have several layers of bureaucracy to penetrate and several layers of management that must approve each step of each sale. This unfortunately takes time.</p>

**\*\*Your Creed Smith & Co. Transaction Coordinator for this offer is, Jasmine Collins\*\***

Please contact her at:

**Jasmine@Creedco.com**

## Water Turn On Instructions

### **General Instructions**

For Inspections, include the statement that "Buyer is aware that the de-winterization and re-winterization is their responsibility at a cost of \$300 for inspection purposes" in the additional provisions of your Colorado Sale contract. The buyer may waive the right to inspect the plumbing in their inspection.

We have a licensed, insured, and bonded professional to complete this task for you. He takes full liability for any problems and damage that occurs due to the water being turned on. We very strongly suggest that you use this service. Your buyer must pay this professional at the time of inspection.

Contact: Ted Kuettel, KTL Plumbing, **(303) 949-6767**

If you choose to have another professional that is licensed, bonded and insured de-winterize and re-winterize the property (required), then they must sign a statement absorbing all liability for any damage to the property.

If you use your own contractor they must provide to us in writing BEFORE doing any work:

- Copy of their license
- Copy of their insurance
- Proof of bonding
- Signed statement that they assume all liability for damage to the property resulting from turning on the water.
- Signed statement that they de-winterized the property, then they shut the water back off at the main, drained the system, and re-winterized the property.

### **Specific Instructions**

The first thing the buyer's agent should do is call the water company and set an appointment to have the water turned back on. Please keep in mind that most water companies only work Monday through Friday, and you should call no later than 24 to 48 hours ahead of time to make an appointment to get the appointment you want.

They also normally don't set appointments for after 3pm. The names and numbers of most of the water companies are provided here, if the water that services the property address doesn't appear on the list, please call our office (303.953.3090) to find out which water company services that address. Most water companies will charge a turn on fee, and an appointment fee. This is also at the buyer's expense; most of them have a 'pay by phone' option, so that can be paid at the time you set the appointment.

The clients require that a designated, licensed, bonded, and insured contractor will perform the dewinterization/rewinterization at the time of the inspection at the BUYER'S expense; this is NOT negotiable if you want to inspect the property with the water on. The contractor must be paid at the time the inspection begins. So please meet the contractor at the property at the same time. The cost will be quoted by the contractor. The average cost has been \$200-\$300.

We will provide you with the name and number of the contractor assigned to the property. Please call the contractor as SOON as you set up your water turn on appointment, so that he can arrange his schedule to be there to meet the water company technician for the water turn on. He can sign for the water turn on. After the inspection, he will re-winterize the property, depressurize the system, and secure the property. This is to ensure that there is no chance of water damage to the property in the time between your inspection and the closing. You may not under any circumstances TURN THE WATER ON YOURSELF. You will be held totally responsible by the owner's attorneys for ANY damage that occurs due to your turning on the water yourself. If you want to inspect without water, you have that option. If you decide to inspect without water, you do not have to have it dewinterized/rewinterized by the contractor.

## Regional Utilities

<b>Alameda Water &amp; Sanitation</b>	<b>303 936-5313</b>
<b>Arvada Water &amp; Sewer</b>	<b>303 431-3070</b>
<b>Aurora Water</b>	<b>303 739-7388</b>
<b>Bancroft Clover Water</b>	<b>303 922-1113</b>
<b>Bennett Bear Creek Water</b>	<b>303 972-2054</b>
<b>Bear Creek</b>	<b>303 986-3442</b>
<b>Boulder Water</b>	<b>303 441-3260</b>
<b>Brighton Water &amp; Sewer</b>	<b>303 655-2067</b>
<b>Briggsdale</b>	<b>970 656-3417</b>
<b>Broomfield Water &amp; Sewer</b>	<b>303 469-3301</b>
<b>Castle Rock Water &amp; Sewer</b>	<b>303 660-1373</b>
<b>Centennial Water</b>	<b>303 791-0361</b>
<b>Cherry Creek Water</b>	<b>303 755-4474</b>
<b>Cherry Creek Village Water</b>	<b>303 779-4525</b>
<b>Clear Creek Sanitation</b>	<b>303 424-4194</b>
<b>Commerce City Water &amp; Sewer</b>	<b>303 288-2646</b>
<b>College Park</b>	<b>303 278-7223</b>
<b>Consolidated Mutual</b>	<b>303 238-0451</b>
<b>Cottonwood</b>	<b>303 792-9509</b>
<b>Crestview Water</b>	<b>303 429-1881</b>
<b>Denver Wastewater</b>	<b>303 446-3500</b>
<b>Denver Water &amp; Sewer</b>	<b>303 893-2444</b>
<b>Eaton</b>	<b>970 454-3402</b>
<b>Edgewater Water &amp; Sewer</b>	<b>303 238-7803</b>
<b>Englewood Water &amp; Sewer</b>	<b>303 762-2635</b>
<b>East Cherry Creek Valley</b>	<b>303 693-3800</b>
<b>Evergreen Water &amp; Sanitation</b>	<b>303 674-4112</b>
<b>El Paso Water &amp; Sewer</b>	<b>719 448-4800</b>
<b>Federal Heights</b>	<b>303 428-3526</b>
<b>Golden Water</b>	<b>303 384-8026</b>
<b>Grant Water and Sanitation</b>	<b>303 674-3379</b>
<b>Green Mountain Water</b>	<b>303 985-0330</b>
<b>Greeley</b>	<b>970 350-9811</b>
<b>#6 (Greeley, Evans)</b>	<b>970 348-6012</b>
<b>#8</b>	<b>970 857-3200</b>
<b>Highview</b>	<b>303 233-2182</b>
<b>Central Weld</b>	<b>970 352-1284</b>
<b>North Weld</b>	<b>970 356-3020</b>
<b>Alt/Highland</b>	<b>303 791-0361</b>
<b>Gillcrest</b>	<b>970 737-2403</b>
<b>Johnston/Milikin</b>	<b>970 587-2336</b>
<b>Ken Caryl Water</b>	<b>303 979-7424</b>

<b>Kingsburg</b>	<b>303 536-2000</b>
<b>Lafayette Water</b>	<b>303 665-5588</b>
<b>Lakewood Water&amp; Sewer</b>	<b>303 987-7615</b>
<b>Lake Hurst Water</b>	<b>303 985-7895</b>
<b>Larimer Sewer</b>	<b>970 962-2573</b>
<b>Larimer Water</b>	<b>970 962-3000</b>
<b>Left Hand Canyon Water</b>	<b>303 530-4200</b>
<b>Littleton Sewer</b>	<b>303 795-3772</b>
<b>Lochbuie water</b>	<b>303 655-9308</b>
<b>Louisville Water &amp; Sewer</b>	<b>303 666-6565</b>
<b>Lyons Water</b>	<b>303 823-6622</b>
<b>Meadowbrook Fairview</b>	<b>303.972-2054</b>
<b>Northglenn Water &amp; Sewer</b>	<b>303 450-8770</b>
<b>North Washington</b>	<b>303 288-6664</b>
<b>Parker Water &amp; Sanitation</b>	<b>303 841-4627</b>
<b>Pawnee</b>	<b>970 895-2222</b>
<b>Prairie</b>	<b>970 437-5386</b>
<b>Ralston Valley</b>	<b>303 424-9526</b>
<b>Rocks Borough Water</b>	<b>303 979-7286</b>
<b>South Adams County Water &amp; Sewer</b>	<b>303 288-2646</b>
<b>So. Cherry Creek Valley</b>	<b>303 693-3800</b>
<b>Thornton Water &amp; Sewer</b>	<b>303 538-7370</b>
<b>Washington Street water &amp; Sewer</b>	<b>303.288-6664</b>
<b>Westminster Water &amp; Sewer</b>	<b>303 430-2400 ext 2030</b>
<b>Wheat Ridge Water</b>	<b>303 424-2844</b>
<b>Wheat Ridge Sewer</b>	<b>303 424-7252</b>
<b>Xcel Energy</b>	<b>303 623-1234</b>
<b>I.R.E.A.</b>	<b>303 688-3100</b>

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These preceding pages are for your reference and use, please save paper and DO NOT return these pages to us with your offer.

The only page we request you return with your offer is the next and final page, "Bank-Owned Offer Cover Sheet."

Thank you,  
 We look forward to working with you!  
 Creed Smith & Company

**Bank-Owned Offer Cover Sheet**

Please submit this page with your offer.

Whatever information you choose to include is used only for ease of reference and in strictest confidence by the Creed Smith & Company staff.

Property Address \_\_\_\_\_

Buyer's Agent Name \_\_\_\_\_

Buyer's Agent Phone \_\_\_\_\_

Buyer's Agent Fax \_\_\_\_\_

Buyer's Agent Cell Phone \_\_\_\_\_

\*Agent Email **Very Important!** \_\_\_\_\_

Buyer Name(s) \_\_\_\_\_

Buyer Current Address \_\_\_\_\_

Buyer Phone Number \_\_\_\_\_

Buyer Social Security # \_\_\_\_\_

(The buyer information is for various closing purposes; we DO NOT contact your buyer)

Lender Name \_\_\_\_\_

Lender Direct Phone \_\_\_\_\_

Lender Main Fax \_\_\_\_\_

Lender Email \_\_\_\_\_

- Original** contract included (signed by all buyers)
- Original** earnest money check included (made to title company or Creed Smith & Co)
- Lender letter included (or proof of funds for cash offer, you can 'black-out' acct. #s)
- Original** bank addendum included, if required by the specific bank Seller (signed by all buyers—no changes to the addendum)

<p>Creed Smith &amp; Company 7333 W. Jefferson Ave. #220 Lakewood, CO 80235 Voice 303.953.3090 Fax 303.953.3091</p> <p>Transaction Coordinator: Jasmine Collins, <a href="mailto:Jasmine@Creedco.com">Jasmine@Creedco.com</a> You can communicate with us about any submitted offer at <a href="mailto:offers@creedco.com">offers@creedco.com</a></p>
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