



Standard Resale Transaction vs. REO (Bank Owned) Transaction

What You Need to Know

Normal Escrow

REO Escrow

TRADITIONAL SELLER <ul style="list-style-type: none"> Usually an individual owner that has employed a professional real estate agent to sell the property. Selling one home and is personally impacted by the sale. 	Buyer & Seller	BANK ENTITY SELLER <ul style="list-style-type: none"> Usually a large corporate lending institution, dealing with a huge volume of properties. Typically employ a large staff and an Asset Management Company with no personal interest.
TRADITIONAL CONTRACT DELIVERY <ul style="list-style-type: none"> Buyer and seller directly responsible for Negotiating, executing and signing. Changes and addendums are made directly. 	Contract	NON-TYPICAL CONTRACT DELIVERY <ul style="list-style-type: none"> Negotiating done by one department, then the File is moved to another department to close. Changes are difficult and time consuming.
PRODUCED LOCALLY <ul style="list-style-type: none"> Title report produced locally on all Washoe, Carson City, Lyon, & Storey County Properties. Report arrives within 5-8 business days. 	Title Report	PRODUCED LOCALLY OR OUT OF STATE <ul style="list-style-type: none"> Title report could be produced locally or out of state by a company dealing with multiple institutional sellers, in multiple states. Report can, at times, take up 7 days or more.
HOA USUALLY CLEAR <ul style="list-style-type: none"> HOA information is normally known within 24 hours of opening. HOA payments are usually up to date and Clear well before closing. 	HOA	HOA OFTEN IN COLLECTION <ul style="list-style-type: none"> HOA information is not normally known until title report arrives. HOA has often gone to collection attorney HOA demand document can take 10 days or more to obtain by escrow.
LOCALLY PROCESSED <ul style="list-style-type: none"> Deed is prepared and executed by the escrow Officer and selling parties locally. 	Deeds	PROCESSED OUT OF STATE <ul style="list-style-type: none"> Asset management entity often must gain signature of deed from financial institution. Can take a week to 10 days (or longer) to be returned to escrow with signatures. Often double deeds must be signed from one Bank entity to another which doesn't become known until several days after first deed was sent. New deeds must then be prepared.
HUD APPROVAL SIMPLE AND SHORT <ul style="list-style-type: none"> HUD statement is prepared and submitted to Buyer/Seller & Real Estate Agents for final approval well before closing. Changes to contract and commissions are quickly approved by agents on a local level. 	HUD Approval	HUD APPROVAL COMPLEX AND SLOW <ul style="list-style-type: none"> HUD statement must be approved by asset management company and submitted to bank for approval. A minimum of 72 hours after submission must be allowed for receipt of approval. Commission and contract changes can cause delay, and can take 7 days or more.
SIMPLE TRADITIONAL SIGNING <ul style="list-style-type: none"> Escrow Officer signs parties, funding occurs, and sale is recorded. 	Closing	COMPLICATED BY APPROVALS <ul style="list-style-type: none"> Lender doc changes require approvals of selling entities, causing closing delays. Consider the possibility of closing delay, especially if buyer is moving.