

# Ribbon - Cash offer - Buy before you Sell – March 2021

Chris Robinson <[chrisrobinson@ribbonhome.com](mailto:chrisrobinson@ribbonhome.com)> You can call or text anytime at (713)352-3936

## Ribbon - Program Overview

Ribbon upgrades you into a non-contingent, cash buyer— giving you the best shot at winning your next home. Our Buy Before You Sell program allows you to move into your new home and then prepare your existing home to be sold at top dollar. For the first-time homebuyer, our program enables you to write a more competitive cash offer, doubling your chances of winning the home of your dreams.

## How It Works

1. Ribbon partners with you, your agent, and your lender to upgrade your pre-approval to cash to write the best offer to win your dream home!
2. Ribbon attaches to the contract with an addendum that details how our fee is paid at closing.
3. Ribbon buys the home on your behalf and leases it back to you for up to 180 days.
4. Once you're ready to purchase the property from Ribbon, we'll work with you to ensure a seamless transaction and sell the house back at the exact price that we originally purchased the home for.
5. In the event you don't need Ribbon to close on your behalf, the Ribbon Fee is simply reduced to 1%.

## Qualifications

1. Buying Power: To qualify, we will need to review a pre-approval letter from your preferred lender. We confirm with them that credit, income & assets have been verified. You do not need to qualify for two mortgages. If you have a home to sell, we will ask for the address, estimated list date & list price.
2. Home Valuation: Prior to backing your offer, Ribbon has local market experts who will take a look at your new potential home. We can purchase between \$150k-\$700k, at or below 4 acres. We come back with the following information on that property:
  - o *Max Ribbon Value*: This is the maximum price we will buy the home for based off market comps.
  - o *Temporary Lease*: Ribbon will issue a 6 month lease and the rental amount will always be known upfront.

## Pricing

The costs involved are always known upfront. We want to ensure everyone is comfortable before making any decisions. You can also view our pricing page [here](#).

- Ribbon Fee: 2.4% (TN, GA)
  - o Negotiated on the contract via deposits and/or seller paid closing costs
  - o The Ribbon Fee will be collected from the deposits/SPCCs at closing
  - o If you can close without using Ribbon's cash, only 1% will be collected at closing
  - o The Ribbon Fee can be negotiated between the buyer and seller
  - o *If Ribbon is saving a deal that is already under contract, the Ribbon Fee is 3% of the purchase price*
- Temporary Rent: This amount covers our carrying costs: taxes, insurance, HOA, and our cost of capital to purchase the home on the buyer's behalf. The lease term is for 6 months and the buyer

can purchase the home from Ribbon at any point during their tenancy and rent will be prorated to the day.

\*Ribbon pays for the closing costs when we purchase the home first. The buyer pays for the closing costs when they repurchase from Ribbon. Agent gets paid commission on first closing\*

### **Why use Ribbon?**

- *The freedom to buy before you sell— without having to qualify for two mortgages*
- *Remove home-sale and financing contingencies*
- *Win in multiple offer situations with an upgraded all-cash offer*
- *Guarantee closing & commissions after the inspection period*

Please let me know if you have any questions or if you'd like to coordinate a call to review with any clients. We are always happy to get the numbers back on a specific home— all we need is the buyer's name & the property address.

[Ribbon Offer Addendum \(TN, GA\).pdf](#)

Kind Regards

Chris Robinson

[Book a meeting with me](#)