

5 RED FLAGS

FLORIDA HOME
SELLERS NEED TO
KNOW BEFORE
ACCEPTING A
CASH OFFER



A Seller's Guide to
Evaluating Home
Buying Companies



Thinking about selling your Florida home for cash?

You've probably gotten calls, letters, or texts from companies saying they'll buy your house quickly with no hassle. Some of these companies are great to work with. Others? Not so much.

The tricky part is that not all cash offers are created equal. Some companies use confusing contracts with hidden gotchas that can cost you thousands of dollars or leave you stuck in a bad deal. According to the Consumer Financial Protection Bureau, almost half of people don't fully understand what they're signing when they sell their home.

This guide will help you spot the warning signs so you can tell the good buyers from the bad ones. Let's walk through the five biggest red flags you need to watch out for.





*Look for language
about "**assignment**"
or "**novation.**"*

RED FLAG #1

THEY CAN FLIP YOUR CONTRACT TO SOMEONE ELSE

The first big warning sign is something called an "**assignability clause.**" This is fancy legal talk that means the company can sell your contract to someone else without asking you first.

Here's how this scam works. Let's say ABC Company offers you **\$200,000** for your house. You sign their contract thinking you're selling to them. But then ABC Company turns around and finds another investor willing to pay **\$215,000**. They sell your contract to this new person, pocket the **\$15,000** difference, and disappear. Now you're stuck dealing with a total stranger who might want different terms, take longer to close, or back out completely.

There's another version of this called a "**novation clause**" that does the same thing. Both of these clauses mean you're not dealing with the real buyer. You're dealing with a middleman who's just trying to make a quick buck by flipping your contract.

When you're reviewing a cash offer, look for language about "**assignment**" or "**novation.**" If you see it, that's a major red flag. A real cash buyer should be the person actually buying your house, not someone looking to pass your deal off to someone else.



*Make sure the contract says in writing that they cover **closing costs** AND **doc stamps**.*

RED FLAG #2

THEY SAY "WE COVER ALL CLOSING COSTS" (BUT THEY DON'T)

Almost every cash home buyer will tell you they cover all your closing costs. Sounds amazing, right? But here's the catch: many of them leave out one of the biggest expenses, something called documentary stamp taxes or "doc stamps."

In Florida, **doc stamps cost \$0.70 for every \$100** of your home's sale price. If you're selling a **\$300,000** house, that's **\$2,100**. For a **\$500,000** house, it's **\$3,500**. That's real money.

Here's what happens: The company tells you they're offering **\$300,000** and covering all closing costs. You think you're walking away with **\$300,000**. Then at closing, you see **\$2,100** taken out for doc stamps. Suddenly, you're only getting **\$297,900**. They technically "covered closing costs" but not the doc stamps, and now you're out over two grand.

The fix is simple. Make sure the contract says in writing that they cover closing costs AND doc stamps. If it's not crystal clear in the paperwork, ask them directly before you sign anything.

An honest company will have no problem spelling this out for you. If they dance around the question or say "don't worry about it," that's your sign to walk away.



*If a company can't show you **proof of funds**, you're gambling with your time and your house.*

RED FLAG #3

THEY WON'T SHOW YOU PROOF THEY HAVE THE MONEY

When someone says they'll buy your house for cash, you should ask one simple question: **Can you prove you actually have the cash?**

Proof of funds is just a letter from their bank showing they have enough money in their account to buy your house. Real cash buyers will give you this within a few days of making an offer. It's standard practice.

If a company can't show you proof of funds, you're gambling with your time and your house. Think about it. You take your home off the market. You turn down other buyers. You wait weeks or even months. Then right before closing, they tell you they can't get the money together. Now you've wasted all that time and missed out on other opportunities.

Any legitimate cash buyer can get you a proof of funds letter quickly. If they make excuses, keep delaying, or tell you "we don't need to do that," run. They're either not a real cash buyer, or they're planning to assign your contract to someone else who hopefully has the money.



A good company should be willing to explain their contract in plain English and shouldn't mind using an industry-standard contract.

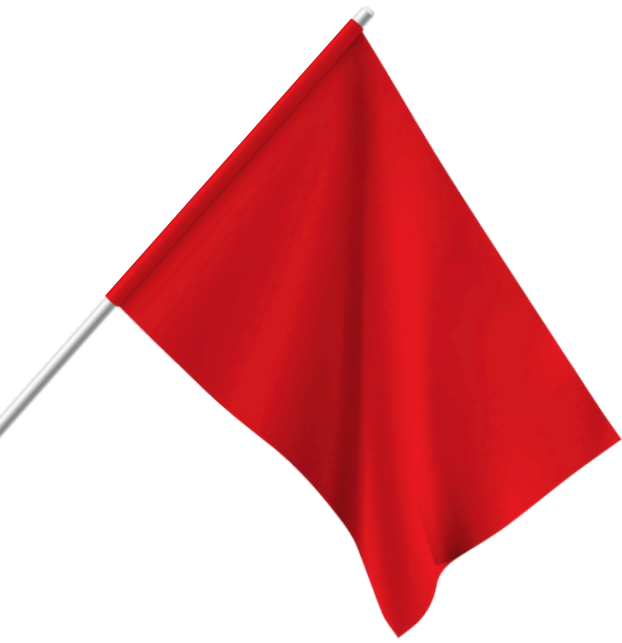
RED FLAG #4

THEY USE WEIRD CONTRACTS INSTEAD OF STANDARD ONES

In Florida, real estate agents use something called a **FAR-BAR contract**. FAR-BAR stands for Florida Association of Realtors and the Florida Bar (that's the lawyer association). This contract has been reviewed by legal experts and is designed to be fair to both buyers and sellers. It's the same contract used when someone buys a house the traditional way.

Some cash buying companies create their own contracts instead. They're usually loaded with terms that favor the buyer and leave you vulnerable. They might have loopholes that let them back out for any reason, while you're stuck in the deal. Or they might have confusing legal language that's hard to understand without a lawyer.

If a company hands you a contract that doesn't look like the standard FAR-BAR contract, ask them why. A good company should be willing to explain their contract in plain English and shouldn't mind using an industry-standard contract. Watch out for companies that pressure you to sign fast without giving you time to read it or that tell you not to show it to anyone else. Those are huge red flags.



*The whole point of selling for cash is you get **certainty** and **speed**.*

RED FLAG #5

THEY SAY IT'S A CASH OFFER BUT THEY NEED A LOAN

This one sounds crazy, but it happens all the time. A company tells you they're making a "cash offer," but buried in the contract is something called a **financing contingency**. That's a clause that says the sale only goes through if they can get a loan.

Wait, what? If they need a loan, how is that a cash offer?

It's not. That's just a regular buyer pretending to be a cash buyer. And here's why it matters: The whole point of selling for cash is you get certainty and speed. You might accept a slightly lower price, but you know the deal will close quickly without any financing drama. But if they need a loan, they could get turned down by the bank and the whole deal falls apart.

Read your contract carefully and make sure it says "**all cash**" with "**no financing contingencies**." If you see anything about the buyer needing to get a loan approved, that's not a cash deal. Don't let them fool you.

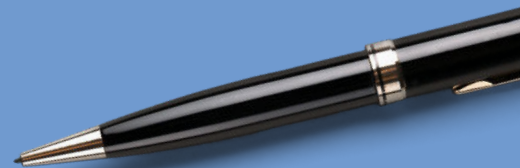
WHY YOU NEED SOMEONE ON YOUR SIDE

Notice a pattern here?

Notice a pattern here? These red flags aren't obvious unless you know what you're looking for. You could read through a contract super carefully and still miss the important stuff because you don't know which clauses matter and which ones don't.

That's why it helps to have someone with real estate experience look at your offers. According to the Consumer Financial Protection Bureau, almost half of people don't bother comparing offers when selling their home. But comparing offers isn't just about who's offering the most money. It's about understanding the full picture: Who's most likely to actually close? What are the real terms? Where are the hidden risks?

A licensed real estate professional can spot these red flags in about five minutes and explain everything in plain English. They can tell you what's normal and what's sketchy. And that can save you thousands of dollars and a ton of stress.



GET A STRAIGHT-SHOOTING CASH OFFER FROM GOLEX PROPERTIES

At Golex Properties, we think honesty should be the standard, not the exception. We're based right here in Florida, and we have licensed real estate agents on our team. We use the same FAR-BAR contracts that traditional agents use. When we make you an offer, we sit down with you and walk through it line by line. No confusing jargon. No pressure. Just straight talk so you understand exactly what you're agreeing to.

Here's how we're different. We show you our proof of funds up front. Our contracts say right in black and white that we can't assign them to someone else. We are the actual buyers. We cover all closing costs including doc stamps, and we put that in writing so there are no surprises at closing. We can close in as little as 7 to 14 days, or we can work around your schedule if you need more time.

And here's something else: if you've gotten other offers, we're happy to help you compare them. We'll point out any red flags we see, even if our offer isn't the highest one. Why? Because our goal isn't just to buy your house. Our goal is to help you make the right decision for your situation. If we're not the best fit, we'll tell you straight up.

NO PRESSURE. NO GAMES.

Just honest help from
people who actually care
about Florida sellers.

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