



Welcome to HomeLight Trade-InTM

California

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About HomeLight



About HomeLight

HomeLight's vision is a world where every real estate transaction is simple, certain, and satisfying.

We provide software and services to home buyers, sellers, and real estate agents including HomeLight Home Loans, HomeLight Closing Services, HomeLight Trade-In, and HomeLight Cash Offer.

Each year, HomeLight helps hundreds of thousands of clients buy & sell homes through top real estate agents, and facilitates billions of dollars of real estate business on the HomeLight platform.

What our clients say

"My goals were met beyond what I thought I could do. I could come in with an offer and be able to say, 'I have a loan in place. I will be able to either put 100% or a sizeable amount down and move forward quickly.' And that's what happened.

If it weren't for HomeLight and my great realtor, I would not be in the place I am today. I'm so excited. I love my new house."

- Nancy P., HomeLight Trade-In™ Customer

"By working with the Trade-In team at HomeLight, I was able to radically expedite the whole selling and buying process, receiving the necessary funds from the sale of my condo to HomeLight to make a serious offer on my new home.

In fact, I was able to close a full week before starting my new job! This was critical since I had been unsuccessful at trying to make contingent offers on properties, even though my realtor and I were certain that my condo would sell quickly for a great price."

- Laura G., HomeLight Trade-In™ Customer



"In terms of a real estate transaction, you cannot ask for anything more. HomeLight Trade-In is ideal. I would recommend HomeLight Trade-In to anybody who already owns a home who wants to get into a new home. You really can't beat it."

- Brent C., HomeLight Trade-In™ Customer

What is HomeLight Trade-In?

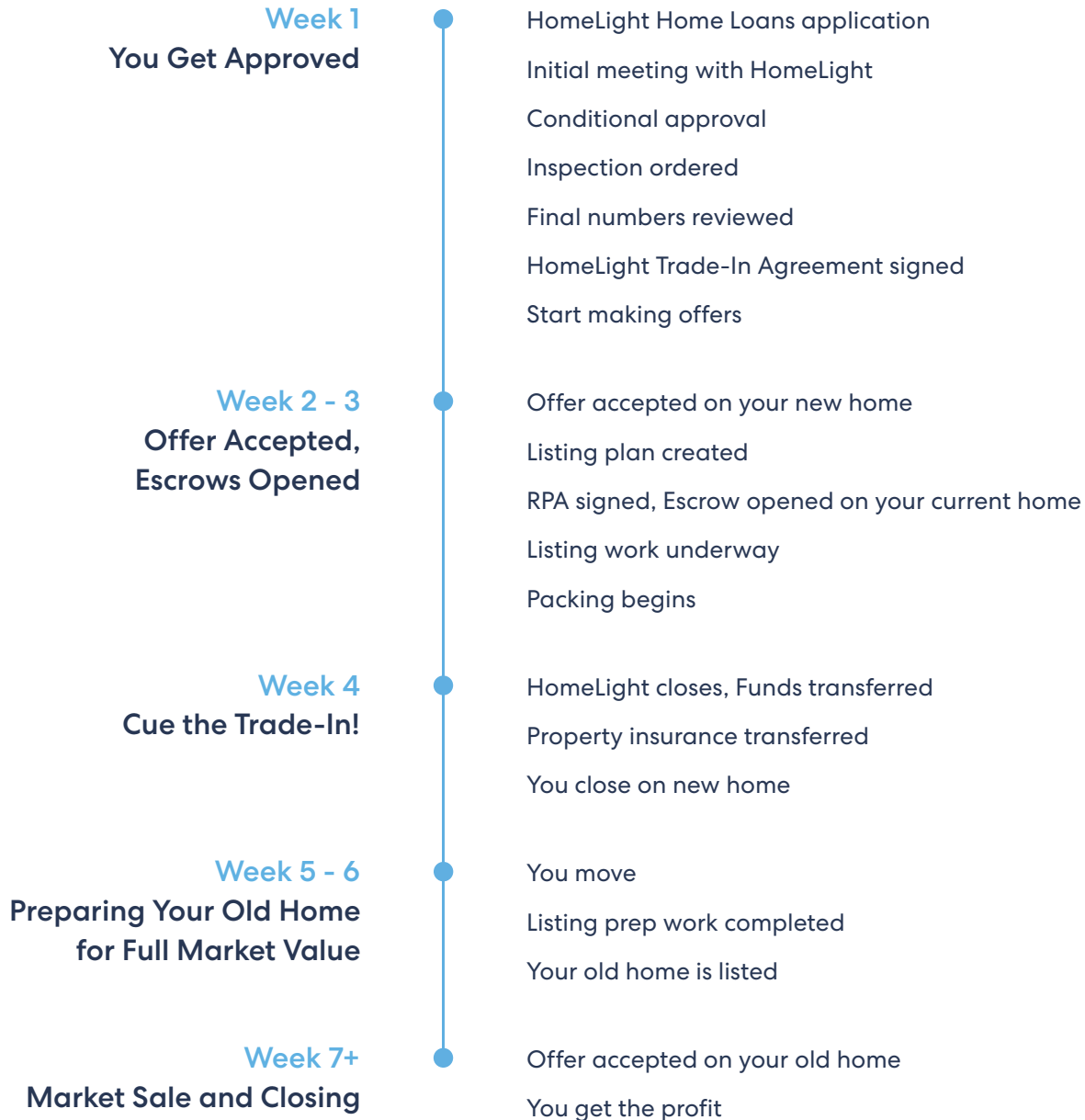
We buy your current home so you can avoid the stress, risk, and hassle of buying and selling at the same time.

Here's how it works:



- 1 Get a purchase price
- 2 Make a strong offer on your new home
- 3 Move in on your schedule
- 4 Get full market value when we sell your home

The HomeLight Trade-In process



Week 1

You Get Approved

- **HomeLight Home Loans application**
You're interested in HomeLight Trade-In and you apply to [HomeLight Home Loans](#) to verify your eligibility.
- **Initial meeting with HomeLight**
You meet with a HomeLight Client Manager to discuss your home.
- **Conditional approval**
You're conditionally approved within 1 business day for a HomeLight Home Loan and ready to start the HomeLight Trade-In process.
- **Inspection ordered**
We order an inspection on your current home to verify that it's ready to sell.
- **Final numbers reviewed**
Once the inspection report is complete, you review final numbers and confirm you want to proceed.
- **HomeLight Trade-In Agreement signed**
You sign the HomeLight Trade-In agreement, stating that you understand how the process works.
- **Start making offers**
Start shopping for your new home—you can make offers without any home-sale and financing contingencies. (Yay!)

Week 2 - 3

Offer Accepted, Escrows Opened

- **Offer accepted on your new home**
Your offer is accepted on your new home and escrow is opened for your new home.
- **Listing plan created**
We work with you and your agent on a listing plan and timeline.
- **RPA signed, Escrow opened on your current home**
As soon as you have the close of escrow date on your new home, the residential purchase agreement (the contract between a buyer and seller for the transfer of property ownership) for your current home is signed. Escrow opens for our purchase of your current home.
- **Listing work underway**
The listing work and repairs we agreed upon and outlined in the HomeLight Trade-In Agreement are underway!
- **Packing begins**
You're packing to move out of your current home and into your new home.

Week 4

Cue the Trade-In!

- **HomeLight closes, Funds transferred**
HomeLight closes on the purchase of your current home, transferring the funds directly from the escrow account for the sale of your current home to the escrow account for the purchase of your new home.
- **Property insurance transferred**
We take over property insurance. You keep utilities in your name.
- **You close on new home**
You close on the purchase of your new home with proceeds from our purchase of your current home. Congrats!

Week 5 - 6

Preparing Your Old Home for Full Market Value

- **You move**
You move into your new home within three days of HomeLight purchasing your old home. Take a load off—we've got it from here!
- **Listing prep work completed**
Once your old home is vacant, we work with your real estate agent to finish up any listing preparation work, staging, and photography. We pay any vendors directly for this work; we recover these costs from escrow at the market sale of the property, at which point the remaining proceeds are distributed.
- **Your old home is listed**
Your old home hits the market and buyers start touring!

Week 7+

Market Sale and Closing

- **Offer accepted on your old home**
The winning offer on the home is chosen and escrow is opened. When the transaction for your old home is completed, the title is transferred to the buyer.
- **You get the profit**
If the home sold for more than the price we paid you for it, we wire you funds directly from escrow with the net additional proceeds.*

Selling costs and program fees

Once the property sells on the market, we deduct our actual selling costs, including final agent fees, listing prep work paid by HomeLight, and property ownership costs incurred during HomeLight's ownership, such as property taxes and utility bills. We also deduct the program fee, based on how long we have owned the property.

See fee schedule:

	First 30 days we own the property	Every 30 days thereafter
When using HomeLight Home Loans	1%	0.5%
When using another mortgage lender	3%	0.5%

Here's an example of the economics of a HomeLight Trade-In transaction:

Listing preparation work is based on a pre-listing inspection of the property and your recommended prep work to get the home ready for the market. The amount of listing prep work budgeted for includes any repairs that HomeLight pays for once we take ownership of the property to get it listing ready, as well as any amounts that a future buyer may negotiate off the selling price.

Property ownership costs are calculated based on expected property taxes, property insurance, and HOA fees.

HomeLight Trade-In fee reflects our expected program fee of 1.5-2.0%, depending on how long we expect to own the property. When the property sells on the market, we true up this cost to reflect the actual fee.

Estimated upfront proceeds indicates the *minimum* amount the client in this example will receive at the end of the transaction. This is calculated by subtracting the agent fees, listing prep work, property ownership, and the HomeLight Trade-In fee from HomeLight's purchase price. Depending on the price the home sells for on the market, proceeds may be higher. The client will pay off their mortgage balance and any transaction closing costs from the "guaranteed proceeds".

Agent fees are based on the fee you and your client agree on.

HomeLight home valuation	\$	800,000	
HomeLight purchase price	\$	720,000	90%
Estimated costs			
Agent fees	\$	(48,000)	6.0%
Listing prep work	\$	(3,000)	
Property ownership	\$	(4,000)	0.5%
HomeLight Trade-In fee	\$	(12,000)	1.5%
Estimated upfront proceeds	\$	653,000	
<i>*This is the amount the client will receive when HomeLight purchases their home and the minimum amount they'll receive at the end of the entire process</i>			
Estimated loan payoff	\$	400,000	
Equity for new home purchase	\$	253,000	

Actual sales price	\$	808,000	
Actual costs			
Agent fees	\$	(48,480)	6.0%
Listing prep work	\$	(2,500)	
Property ownership	\$	(3,800)	
HomeLight Trade-In fee	\$	(12,120)	1.5%
Net proceeds from market sale	\$	741,100	
Received upfront proceeds	\$	653,000	
Additional proceeds after sale	\$	88,100	
Estimated final proceeds	\$	341,100	

FAQs

Q: What are the eligibility requirements for HomeLight Loans?

A: Financing through HomeLight Home Loans is available to those who fit the following criteria:

- Single-family home, townhome, or condo
- Credit score of 620 or above
- Jumbo loans: 20% down, plus reserves
- Conforming loans: 5% down
- A max debt-to-income (DTI) ratio of 43%

Q: What are the eligibility requirements for HomeLight Trade-In?

A: To use HomeLight Trade-In, your property must fit the following criteria:

- Single-family home, townhome, or condo
- Non-rural
- Primary residence
- Valued between \$300,000 - \$2,000,000
- Between 750-7,500 square feet
- Has not been listed or sold in the last 120 days

Q: How is the listing price determined?

A: We work with your agent to determine the appropriate listing price based on market comps and the home inspection. We want to list the property at a price that will attract the most buyers and get you the most money for your home. Additionally, we never want the property to sit on the market for more than 30 days, ensuring that your fee is as low as possible.

Q: Who decides whether an offer is accepted or rejected?

A: Though HomeLight will own your home at the time of listing, you will be consulted on any offers received. If, however, the home has not sold after 45 days of HomeLight owning the property, we reserve the right to act as the sole decision maker on accepting an offer.

Q: What if my home sells for less than the price HomeLight paid?

A: Regardless of the home's final sale price, HomeLight's purchase price is the minimum amount you'll receive at the end of the transaction. If for any reason the home sells for a lower price than what we paid, we absorb the loss.

Q: How do transfer taxes apply?

A: The transfer tax amount as well as who pays (buyer, seller, or split) varies depending on the city and county in which your property is located. HomeLight always covers the county transfer tax and you pay the city transfer tax, if applicable. The fee is calculated based on our valuation of your home and is baked into the estimated costs we provide to you. The cost is later adjusted based on the final selling price of your home.

Q: How are utilities handled when HomeLight owns the home?

A: We recommend you keep utilities in your name, but you will have the option to transfer utilities ownership to HomeLight, in which case we'd pay the costs. If HomeLight covers the costs, the following would be passed on to you: all transfer, start, and stop fees associated with utilities, the total cost of utilities, and a 20% surcharge for utility management. We include these costs in the property ownership costs that are outlined in the economic breakdown we provide to you, if you choose to have HomeLight take over utility payments.

Q: Do I have to work with a HomeLight agent?

A: HomeLight Trade-In is available to clients who are working with a HomeLight Trade-In certified agent. If you don't already have an agent, we are happy to recommend one.

Q: How do we determine what listing preparation work and repairs are required?

A: Listing prep work is based on a pre-listing inspection of the property and your agent's recommended prep work to get the home ready for the market.

Q: Who pays for any listing preparation work and repairs?

A: Once HomeLight takes ownership of the property, we pay any vendors directly for any listing prep work including property repairs, home staging, and deep cleaning. We recover these costs from escrow at the market sale of the property, at which point the remaining proceeds are distributed. Additionally, if you prefer, you will have the option to pay these costs directly to the vendors as the costs are incurred.

Q: How is the fee calculated?

A: Our fees are calculated off of the final selling price of your current home. The percentage charged depends on the number of days we own the home, as outlined in the previous FAQ. The day we close on the purchase of your current home is counted as day one.

Q: Who determines agent fees?

A: You and your agent agree on the fees they'll collect, just as you would in a traditional home sale process.

Q: What are the benefits of working with HomeLight Escrow?

A: As HomeLight Escrow is in-house, working with them makes the closing experience as seamless as possible for you and your agent. Our Escrow Officers thoroughly understand the HomeLight Trade-In product and, because we use the same systems and processes, can expedite the transfer of relevant documents and information.

Q: What if I have solar panels on my property?

A: Please let your Client Manager know early on in the process that you have solar panels on your property. If you have a personal loan tied to the solar panels on your property, that loan will be paid off during the initial transaction when HomeLight purchases your home. If you are leasing the solar panels, we will need to look into the terms of the lease to find the best way to transfer the lease through the HomeLight Trade-In transaction. Lastly, if you own the solar panels outright, please provide documentation of your ownership to your Client Manager.

Q: Do I keep my property insurance once HomeLight takes ownership?

A: Once HomeLight takes ownership of the property, we take over property insurance. The associated costs are included in the property ownership costs that are outlined in the economic breakdown we provide to you.

Q: How do closing costs work?

A: Closing costs work like they would for any other real estate transaction. When you sell your property to HomeLight you may incur closing costs such as settlement fees, title insurance policy, and other closing costs specific to your area. HomeLight also incurs its own set of closing costs both when we purchase your property from you and sell it on the open market. The fee that HomeLight charges covers any closing costs that we incur, we do not double charge you for our closing costs. The only exception is if there are city mandated transfer taxes where your property is located. As city transfer taxes can vary greatly, we pass this cost through to you rather than incorporating it into our fee structure. This ensures we can keep our fee as low as possible for all of our clients.

Meet the team

Our industry experts are here for you. We strive to make buying and selling homes an exciting and satisfying experience. If you have any questions or concerns, you can count on your HomeLight Trade-In team. We look forward to working with you!

Our office numbers:

HomeLight Home Loans

(844) 882-3283

HomeLight Escrow

(858) 935-4590



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Thank you.
