A Guide to Buy Before You Sell

powered by calque



Frequently Used Terms

Calque – a fintech company that provides a Guaranteed Backup Offer (a.k.a. GBO) on a borrower's home, allowing lenders to offer Buy Before You Sell solutions. Calque is not a lender; think of us as a backup buyer enabling a better buy and sell process.

Guaranteed Backup Offer (GBO) – This is a binding backup contract from Calque on a qualifying borrower's departing residence. If a borrower isn't able to sell their home on the open market within 180 days, Calque will purchase it per the GBO.

Trade-In Mortgage – A 'Buy Before You Sell' solution that enables borrowers to tap their home equity to buy and move before they sell. Loan officers can eliminate the departing residence and second equity loan from DTI, removing the home sale contingency and enabling borrowers to make stronger offers.

Contingency Buster – A transaction in which Calque makes the minimum GBO to remove the departing residence from debt-to-income (i.e., transactions that do not require equity unlock). This often results in lower fees and faster offer turnaround times.

How does the Guaranteed Backup Offer work?

Calque's Guaranteed Backup Offer (GBO) enables loan officers to provide Buy Before You Sell programs. With a Calque GBO, financing for the new home is approved without a home sale contingency and debt-to-income constraints are removed in the scenarios below.

- **Contingency Buster** – A borrower has down payment funds but cannot support two mortgages in their DTI. The GBO offer allows loan officers to approve financing on the borrowers new home without having to keep their current mortgage in their debt-to-income calculation. In this case, Calque's GBO clears the existing mortgage balance on the the departing residence.

- **Trade-In Mortgage** – A borrower needs to access the equity in their existing home for a down payment on their new purchase, debt payoff, etc. The GBO offer allows a borrower to tap into their equity using a second lien without it or the existing home being considered in the debt-to-income calculation.

Pro Tip: An easy explanation for a borrower is "Calque's GBO gives you a guaranteed backup offer on your previous home allowing you to purchase your next one as if the current one has already sold."

How it Works

1 Get a Guaranteed Backup Offer

- Borrower or loan officer submits an application via lender's microsite.
- Calque calls within 1-2 business days to schedule a virtual walk-through of the departing residence.
- If the property qualifies, Calque provides the homeowner with a Guaranteed Backup Offer (GBO) within 1-9 business days, depending on the program.
- The loan officer originates a mortgage for the new home without a home sale contingency and adds a second equity loan if equity unlock is needed.

2 Submit competitive offers with confidence

- Homeowner begins submitting offers with no home sale contingency that are more likely to win.

3 Win and move into new home!

- Approximately a week before closing, a Calque Customer Experience Specialist (CXS) will reach out and have the borrower sign their GBO.
- Once they have closed on their new home, they can move in right away.
- Homeowner begins the process of selling their previous home all from the comfort of their new one.
- Real estate agent can stage, show, and sell an empty home, attracting more buyers and creating more convenience for the homeowner.

4 Sell original home with peace of mind

- Sell the original home!
- In the unlikely case the house does not sell on the open market within 180 days, Calque will buy it per the Guaranteed Backup Offer.

We've got your back. If Calque purchases the house, and we sell it for more than the GBO, Calque will refund the net profit after our expenses have been covered, including but not limited to the purchase price, commissions, interest, taxes, title and other fees.

Frequently Asked Questions

Who Handles the Loan Funding?

Calque works with lenders across the nation to provide Buy Before You Sell solutions . We do not provide any funding because Calque is not a lender. If a borrower needs to access the equity in their existing home, the loan officer will either originate or broker a second lien to access that equity. Any fees associated would be processed through the lender used to originate the second lien.

What does the process timeline look like?

1. Getting the GBO: When a borrower submits an application, Calque will call them within 1-2 business days and ask them to complete a quick and easy virtual walk-through on their departing residence. Once this has been completed and the property qualifies, the borrower will receive a GBO offer from Calque within:

- 1-2 business days for a Contingency Buster
- 5-9 business days for a Trade-In Mortgage

2. Accepting the GBO: Once Calque provides a GBO offer, the borrower has 30 days to decide if they want to accept it. We do not update or change the price within that time frame. Should the 30-day period expire, and a GBO offer is still needed, we reserve the right to update or change the initial offer amount based on market conditions, new valuation findings, etc. The borrower will sign the GBO approximately one week prior to closing on their new purchase.

3. Selling the departing residence: Once the GBO is signed, the borrower has 180 days to sell their home on the open market. If the home does not sell after 180 days, Calque will purchase the property per the GBO.

How much do the programs cost?

Calque charge's a $2,000 administrative fee, plus 1% of our Guaranteed Backup Offer.

For example, if our Guaranteed Backup Offer was $450,000 for a borrower's current home, the fee would be $2,000 plus $4,500 (1% of $450,000) for a total of $6,500.

Fees are applicable upon signing the Guaranteed Backup Offer agreement and are collected during the settlement of the borrower's departing residence as part of the closing costs - they do not have to pay the fees up front. Once the GBO agreement is signed, fees will be owed whether the home sells on the open market or Calque purchases it.



Pro tip: Calque's fees do not increase if the borrower's home sells for more than our GBO. In fact, we hope it sells for more than our offer! In addition, the fee is based off the GBO amount, so lower GBO = lower fees. **If the borrower chooses to use a Contingency Buster, they can have even lower program fees.**

Property Eligibility Criteria

There are some nuances and exclusions to our program. Our eligibility guidelines cover these and may be found at https://calqueinc.com/ppg-guidelines/.

Offer an easier Buy Before You Sell experience in 48 states



No matter where your borrowers are, Calque will be right by your side

For more information, please check out our website: calqueinc.com

If you have any questions, you can contact us directly at info@calqueinc.com or 585-512-1084

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