



The Trade-In Mortgage™

powered by  calque

For Homeowners

Fairway Independent Mortgage Corporation
NMLS #2289 | tradeinmortgage.com/fairway



What is The Trade-In Mortgage™?

The Trade-In Mortgage™ is an innovative home loan that enables homeowners to use the equity in their current house to buy and move into a new home before they sell. This simplifies the home-buying process and reduces stress by empowering you to submit non-contingent offers that are like cash on new home prospects, buy and move into your new home before you sell your current house, stage your original home for sale after you've moved out so that it sells for the best price, and rest easy with a guaranteed backup offer. Importantly, you are able to tap the equity in your current home to make a bigger down payment on your new one, which reduces your monthly mortgage payment and eliminates the need for mortgage insurance.

How does it work?

The Trade-In Mortgage™ makes the home purchase process more convenient and affordable and can be broken down into **four simple steps**:

1 Get pre-approved quickly and easily

Fill out a 5-minute questionnaire on our website, and our partner, Calque, will send you a Purchase Price Guarantee (PPG) within 3-5 business days. The PPG assures you that if your current house doesn't sell and close on the open market within a specified time frame (up to 150 days in most markets), Calque will buy it for a mutually agreed-upon, fair price. Once you receive your PPG from Calque, we will pre-approve you for your new home loan.

2 Submit competitive offers with confidence

Start submitting non-contingent offers as good as cash that are 4X more likely to win. Once your offer is accepted on your new home, we will finalize the underwriting process. You can use the equity you've already accrued in your current home to give you the down payment for a conventional loan on the new property, helping you reduce your monthly payments and avoid private mortgage insurance.

3 Move and prepare your original home for sale

Move into your new home and then stage your original home for sale. Your real estate agent will list and show an empty house so it sells for maximum value, and you'll skip the hassle of cleaning and leaving your house for prospective buyers. During this time, The Trade-In Mortgage™ allows you to use the equity in your current home to make payments on that home in most states (talk to your loan officer for state specific details). While you need to process monthly payments on both homes, you will not be out-of-pocket for two mortgages at once.

4 Sell your original home with peace of mind

Sell your original home on the open market for a competitive price. If it doesn't sell and close within the time frame specified in the Purchase Price Guarantee (up to 150 days in most markets), Calque will buy it for the agreed-upon price. If Calque resells your home for more than the PPG, Calque will return the net profit to you after Calque's expenses are paid, which include but are not limited to closing costs, renovation costs, etc. Either way, you move forward with a conventional loan on your new home.

How much does The Trade-In Mortgage™ cost?



The cost to use The Trade-In Mortgage is made up of three fees: \$2,000 flat fee to Calque, 1% of the Purchase Price Guarantee (PPG) to Calque, and a bridge fee (if you choose to use your current home equity to make a down payment on the new home) that varies by transaction but is usually less than 2% of the new home price.



Many clients actually experience **cost savings** compared to the traditional home buying process.

Most agents can help you negotiate a lower purchase price on your new home by leveraging a non-contingent offer, and you avoid the potential costs of moving twice, short term rentals, and mortgage insurance.

How do I apply for the program?

Visit our website
tradeinmortgage.com/fairway
and click on



The application should take less than

5 minutes to complete



Can I use my own real estate agent?

✓ **Yes.**

The Trade-In Mortgage™ is an open platform that allows you to use your preferred real estate agent. If you don't have an agent yet and would like a recommendation, we can refer you to a trusted agent in our network.

Will I be out-of-pocket for two mortgage payments at once?

✗ Not in most states.

In most states, The Trade-In Mortgage™ allows you to use the equity in your current home to make payments on that home. While you need to process monthly payments on both homes, you will not be out-of-pocket for two mortgages at once. Talk to your LO for state specific details.

How does The Trade-In Mortgage™ compare to the traditional process?

Many homeowners don't realize that traditionally they have to sell their home before they can access the equity in it to purchase their next home. The Trade-In Mortgage™ fixes this problem, making it more convenient, less stressful, and often cheaper than the traditional process. Using The Trade-In Mortgage™, you will be able to:

Submit competitive offers that are more likely to win.

Submit non-contingent offers on new home prospects, positioning you as a competitive buyer in today's increasingly crowded real estate market. Importantly, many real estate agents are able to leverage non-contingent offers to negotiate a lower purchase price.

Prepare your current home for sale after you have moved.

This allows you to avoid the hassle of constantly cleaning and organizing your home to maintain show-readiness while you are living in it. Furthermore, many clients take advantage of the vacancy to make repairs and stage their home so that it sells for maximum value.

Buy and move before you sell and stress less.

Avoid the stress of trying to time the sale of your home with the purchase of your new home, submitting contingent offers, or moving into a short-term rental while you look for a new home. In addition, rest easy with a guaranteed backup offer from Calque on your original home.

Experience cost savings.

For a small fee, you will move forward with a conventional loan on your new home without incurring the costs of moving twice, short-term rentals, double mortgage payments, and/or private mortgage insurance.

How does The Trade-In Mortgage™ pricing compare to other buy-first solutions?

The Trade-In Mortgage™ costs less than iBuyers and other buy-first products on the market.

Below is an in-depth pricing example estimating fees for using different home purchase solutions.

Estimate to move from a \$400k to a \$600k home assuming a sale within 120 days	iBuyers	Power Buyers	The Trade-In Mortgage™
Program Fee	\$4,000 An additional 1% of the sales price of the original home* <small>*there are no Realtor commissions; in lieu of Realtor commissions, the iBuyer charges a 7% fee</small>	\$9,000-\$18,000 Variable fee worth 1.5%-3% of new home purchase price	\$5,500 Flat \$2,000 fee + 1% of Purchase Price Guarantee (PPG)* <small>*Estimated PPG is \$350,000 on a \$400,000 home</small>
Leaseback or bridge fee	\$0 N/A	\$6,000-\$18,000 Client leases back new home until current house sells	Variable bridge fee Talk to your LO for pricing <small>*additional fees may apply</small>
Reduction in sales price on home	\$12,000-\$40,000 3%-10% of listed home's value	\$0 3%-10% of listed home's value if it doesn't sell within 120 days	\$0 3%-10% of the listed home's value if it doesn't sell within 150 days
Total Estimated Cost	\$16,000-\$44,000	\$15,000-\$36,000	\$5,500 + bridge

The numbers in this table are estimated based on competitors' reported pricing, including the following sources as of November 15, 2022: [FTC](#), [Orchard](#), [Ribbon](#), and [EasyKnock](#).

What happens if my home doesn't sell within the specified time frame?

Our goal is to help you and your agent sell your current home **for maximum value** on the open market. However, we provide **a back-up plan** to help consumers who aren't able to sell their homes in time.

When you first apply for The Trade-In Mortgage™, Calque will send you a Purchase Price Guarantee (PPG) stating how much they will pay for your house if it doesn't sell and close within the specified time frame (up to 150 days in most markets). In the small number of instances when a customer's house doesn't sell on the open market, Calque buys it for the previously agreed-upon PPG.