



# WHOLESALE: WHAT YOU NEED TO KNOW

*PROTECTING CONSUMERS, PROPERTY OWNERS, AND REAL ESTATE PROFESSIONALS IN OKLAHOMA*

## WHAT IS WHOLESALE AND HOW DOES IT WORK?

- Wholesaling is when a buyer enters into a purchase contract, with the intent of assigning that contract to another buyer or reselling the property in it's current condition for a profit. As an example:
  - 1 Wholesaler signs contract with a property owner to purchase home for \$100,000.
  - 2 Wholesaler signs a contract with another buyer for \$130,000.
  - 3 Wholesaler collects the \$30,000 difference, typically called an assignment fee.
- Wholesalers typically target property owners who need to sell quickly, often for under market value.
- Many sellers are not aware they've entered into this type of agreement, or the amount of profit being made by the wholesaler off of the transaction.
- Sellers often unknowingly sign an agreement or a Power of Attorney allowing a wholesaler to act on behalf of the seller and sign any documents associated with the sale of the property. This might be an affidavit or addendum making the wholesaler an "Attorney in Fact."

## SB 1075 GOES INTO EFFECT NOV 1, 2025 - KEY POINTS:

- Applies to residential transactions.
- Applies to licensed and unlicensed wholesalers.
- Requires written disclosure of wholesaler's intent to sell property at a higher price.
- Homeowners may cancel the contract within two business days without penalty.
- Prohibits wholesalers from clouding or impacting title in any way.
- Wholesaler cannot act as an advisor or consultant on the homeowner's behalf.
- Earnest money must be deposited in an FDIC insured bank in Oklahoma.
- Mandatory cancellation form must be included.
- Contracts missing disclosures or cancellation form are invalid and unenforceable.
- **Seek legal advice FIRST. Never sign a contract you don't understand.**



**OKLAHOMA**  
Real Estate Commission