

MR. CASH OFFER
WE BUY OFF MARKET PROPERTIES

FREE GUIDE

CALIFORNIA HOMEOWNERS

Is a "we buy houses" company legit? How to check a cash buyer in California

Costs and the money. Plain English, every fact sourced and dated.

INSIDE

1. The short answer
2. How do I check the person?
3. How do I check the company?
4. Who checks the escrow company?
5. What is proof of funds, and how do I ask?



Questions? Talk with Fadi.
Fadi Haweileh, CA DRE #02002344 · eXp Realty of Greater Los Angeles, Inc., CA DRE #02188471
(909) 731-6884

Is a "we buy houses" company legit? How to check a cash buyer in California

From Mr. Cash Offer, with Fadi Haweileh, CA DRE #02002344 · Facts checked November 23, 2026 · Online: mrcashoffers.com/guides/how-to-check-a-cash-buyer-california/

QUICK ANSWER

You can check any cash buyer, including us. Look up the license with the DRE and the company with the Secretary of State, close through an escrow or title company you've looked up, ask for proof of funds, and read the contract's assignment and cancel terms. Never wire money to a buyer or pay anything outside escrow.

At a glance

Check	Where
Real estate license	DRE Public License Lookup
The company	Secretary of State business search (bizfile)
Escrow company	DFPI licensee search, or CDI for a title company
Proof of funds	Ask for it in writing before you sign
The contract	Assignment clause, inspection days, deposit, cancel terms
Wire instructions	Confirm by phone, using a number you already had

This applies to us too. Run every check below on Mr. Cash Offer, the same as anyone else.

How do I check the person?

Three checks before you sign

Run these on every cash buyer, us included.

Check the person

- DRE Public License Lookup
- If they say they're licensed
- Status, expiration, broker
- Comment line for discipline

Check the company

- Secretary of State business search
- Active or suspended?
- Registration date

Check the contract

- Proof of funds, in the company's name
- "And/or assigns"?
- Inspection days and deposit
- Your cancel rights

If someone says they hold a California real estate license, get the number and look it up on the DRE's free Public License Lookup, by name or license ID.

A record shows the license type and status, when it expires, the responsible broker and past brokers with dates, and a comment line for any disciplinary action. It should match the name and broker you were given. The DRE warns that discipline may have been removed from a record under the law; you can ask the DRE for it at 1-877-373-4542.

How do I check the company?

Look up the company on the Secretary of State's business search. It covers corporations, LLCs and limited partnerships, not general partnerships. Look at:

- **Status.** For a California company, "Active" means it filed its formation papers here and is authorized to do business. "Suspended" means its powers, including the right to use its name in California, were suspended or forfeited.
- **Registration date.** A brand-new company is worth a question.
- **Agent for service of process,** who accepts legal papers for the company.

Who checks the escrow company?

Your deed and the buyer's money should go through escrow, not hand to hand. Different agencies watch different kinds of escrow:

Who oversees the escrow?

Ask which company will hold escrow, then look it up yourself.

Independent escrow company	Title company	Broker	Attorney
• Licensed by DFPI • Search DFPI's licensee list	• California Department of Insurance • (800) 927-HELP	• Department of Real Estate	• State Bar of California

- **Independent escrow companies** are licensed by the Department of Financial Protection and Innovation (DFPI). Search its licensee list.
- **Title companies** that hold escrow answer to the California Department of Insurance (CDI), (800) 927-HELP.
- **Brokers** who hold escrow answer to the DRE; **attorneys**, to the State Bar.

Ask early which escrow and title company will be used, and look them up yourself. If an escrow company isn't licensed by DFPI or overseen by one of the others, DFPI asks you to call 1-866-275-2677.

What is proof of funds, and how do I ask?

Ask for proof of funds, such as a recent bank statement showing money for the price. The DRE's Reference Book describes the standard California purchase form as generally giving a buyer 7 days to "provide verification of funds." A cash buyer's own contract may not, so ask before you sign: "Please send proof of funds for this purchase, in the name of the company on the contract." If the name doesn't match or the answer is vague, slow down.

What is an assignment clause?

If the buyer's name is followed by "and/or assigns," ask what that allows. You should know who will actually buy your house, and with whose money. Ask in writing:

1. Will you close with your own money, or might you assign this contract?
2. If you assign it, who decides, and do I have to agree?
3. Does the price or the closing date change if it's assigned?

An attorney can tell you how the law treats your contract.

What about the inspection and cancellation days?

The DRE's Reference Book describes the standard California purchase form as generally giving the buyer 3 days to get the deposit to escrow and 17 days to inspect and investigate. A cash buyer's own contract can use different days, so find them:

- **Inspection period.** How long, and can the buyer cancel for any reason during it?
- **Deposit.** How much, by when, and when does it stop being refundable to the buyer?
- **Repairs or price.** In the standard form, if the buyer asks for repairs and the seller says no, the buyer must go ahead or cancel. Ask whether this contract lets the buyer ask for a lower price after inspecting.
- **Your cancel rights.** What can you cancel for, and how?

Is the home in foreclosure?

California's home equity sales law (Civil Code 1695 and the sections after it) covers buyers of a "residence in foreclosure," with some exceptions (for example, a buyer who will live there). A residence in foreclosure is the seller's main home, with 1 to 4 units and a recorded notice of default. In those sales the seller can cancel the contract until midnight of the fifth business day (Saturdays count) after signing, or until 8 a.m. on the day of the foreclosure sale, whichever comes first. The law also requires a completed written contract with a cancellation notice before you sign any deed. Ask an attorney how the law applies to a particular sale. For free help with options that don't involve selling, CFPB says to call HUD at (800) 569-4287 and enter your ZIP code to reach a HUD-approved housing counselor. See our options guide.

How do I get a second opinion on the price?

Ask a listing agent who isn't buying what listing would net, with commission and costs on paper. After the 2025 LA fires, the DRE warned owners in burned areas that unsolicited offers (to owners who weren't trying to sell) were often "far below market value," and advised them to "take the time to have a professional help you determine the value of the property." The warning was about post-fire offers; the advice works for anyone. Our cash offer or list it guide shows how to compare the two line by line.

Before you sign: a checklist

1. License (if any) checked on the DRE lookup; company checked on the Secretary of State search.
2. Escrow and title company named and looked up.
3. Proof of funds in the name of the company on the contract.
4. A written answer on whether the buyer might assign the contract.
5. Inspection days, deposit amount and due date, and when the deposit stops being refundable.
6. A written answer on whether the price can change after the inspection.

7. If the home is in foreclosure: the cancellation notice and deadline found in the contract.
8. A listing agent's net estimate to compare.
9. Wire instructions confirmed by phone, using a number you already had.
10. Never pay a buyer anything outside escrow.

What to do this week

1. Ask each buyer, in writing, for the full name, any license number, the company, the escrow company and proof of funds. Run the lookups.
2. Get a copy of the contract to read at your own pace.
3. Call a listing agent for a net estimate, and an attorney if anything in the contract is unclear.

Watch out for

- **Wire fraud.** The FBI warns that email scams target everyone in a real estate deal, sellers included. If an email changes where money goes, confirm by phone using a number you already had, not one in the email. CFPB says email is "never a secure way to send sensitive financial or personal information." If money was sent, call your bank right away and file a complaint at ic3.gov.
- **Paying up front.** A buyer shouldn't ask you to pay them anything before closing.
- **The DRE's red flags** (its 2025 warning after the LA fires) include promises of "all cash, a quick closing, a hassle-free transaction" and being "vague when answering your questions." We offer cash too, which is on that list. That's why the checks above matter.
- **Pressure.** You can read the contract at your own pace and say no.

Questions people ask

Should I ask a cash buyer for proof of funds?

Yes. Ask for it in writing, in the name of the company on the contract.

What does "and/or assigns" mean?

Ask the buyer in writing what it allows, and whether they plan to close themselves. An attorney can explain your contract.

Can a cash buyer back out after the inspection?

It depends on the contract. Find the inspection period and what happens to the deposit.

Should I ever pay a cash buyer anything?

Not outside escrow. If you're behind on payments, CFPB warns that anyone who charges in advance for foreclosure help is "not legitimate."



Questions about your situation?

Fadi Haweileh, California real estate agent, DRE #02002344, eXp Realty of Greater Los Angeles, Inc., DRE #02188471.

(909) 731-6884

Sources

Checked on November 23, 2026 (lookups and statutes re-read November 24, 2026).

- DRE, Public License Lookup (https://www2.dre.ca.gov/PublicASP/pplinfo.asp)
- DRE, "Protect Your Property: Tips to Spot Unsolicited Offers," Feb. 11, 2025 (https://dre.ca.gov/newsroom/DRE_Updates/2025_02_11_ProtectYourProperty.html)
- DRE Reference Book, Chapter 20, "Basic Contract Provisions and Disclosures in a Residential Real Estate Transaction" (https://dre.ca.gov/files/pdf/refbook/ref20.pdf)
- California Secretary of State, Business Search FAQ and status definitions (https://www.sos.ca.gov/business-programs/business-entities/cbs-field-status-definitions)
- California Secretary of State, bizfile business search (https://bizfileonline.sos.ca.gov/search/business)
- DFPI, "Escrow - Consumer Information" (https://dfpi.ca.gov/regulated-industries/escrow-law/consumer-information-escrow/)
- DFPI licensee search (https://dfpi.ca.gov/licensee-and-financial-service-provider-search/)
- California Department of Insurance, "Title Insurance" (https://www.insurance.ca.gov/01-consumers/105-type/95-guides/03-res/Title-Insurance.cfm)
- California Department of Insurance, company profile search (https://www.insurance.ca.gov/01-consumers/120-company/01-coprof/)
- Civil Code 1695.1 (https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=CIV&sectionNum=1695.1)
- Civil Code 1695.2 (https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=CIV&sectionNum=1695.2)
- Civil Code 1695.3 (https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=CIV&sectionNum=1695.3)
- Civil Code 1695.4 (https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=CIV&sectionNum=1695.4)
- CFPB, "Buying a home? Beware of mortgage closing scams" (https://files.consumerfinance.gov/f/documents/cfpb_mortgages-scams_one-pager.pdf)
- FBI IC3, "Business E-mail Compromise E-mail Account Compromise: The 5 Billion Dollar Scam," May 4, 2017 (https://www.ic3.gov/PSA/2017/PSA170504)
- CFPB, "Mortgage help" (https://www.consumerfinance.gov/mortgagehelp/)

This guide explains general California rules. It isn't legal or tax advice. Talk with an attorney about any contract before you sign it.