

Here is some advice from the Listing Broker, to help you to sell this co-operative apartment in Atkinson Towers, Inc.

Have your client read the Atkinson Towers, Inc. Disclosure Statement, both sides, then initial and date.

Prior to preparing the DROA, have your client meet with a Loan Officer at either First Hawaiian Bank or the Bank of Hawaii, or a Mortgage Broker (who has worked with FHB or BoH on Atkinson Towers, Inc.), to prepare a "Letter of Qualification".

It's extremely important to tell the Loan Officer that the mortgage will be on Atkinson Towers, Inc. (a residential co-operative) and the Borrower understands that the bank requires 20% to 25% downpayment AND the Borrower has to submit documents to verify that the Borrower can make the mortgage payments.

The bank will require tax returns, bank statements, employment status, a credit report, and other documents to write a "stated income" mortgage.

The bank will write a mortgage based on 80% or 75% on the appraisal, which might be lower than the Selling Price. In that event the Buyer will have to make up the difference.

For example: Selling Price: \$300,000. Appraisal: \$290,000. First Mortgage (80%): \$232,000. Difference: \$300,000 less \$232,000 equals \$68,000.00 (Downpayment).

Plus, the points, closing costs, and other charges, could run up to \$7,000.00, or a total out of pocket of: \$75,000.00. Which happens to be 25% of the Selling Price?

Here is the text for paragraph C-2: on the DROA.

One(1) share of stock in Atkinson Towers Inc. A Fee Simple residential cooperative project entitling proprietary use of 2-bd/1-bath unit of approximately 858 sf, with an enclosed Lanai. No parking stall is assigned to this unit #1204.

Here is the DROA text for paragraph C-67:

This sale is to close simultaneously with the closing of the Seller's purchase of the replacement property, which is in escrow. If the contract on the replacement property is cancelled, this contract is also cancelled without penalty to the Buyer or the Seller. 2. This property is being sold "As Is" condition. 3. Buyer understands that this sale does not include a parking agreement certificate.

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