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You want me to Sell your What?

808 Laurel Ave., #107 **SOLD** by Chris Eckert
for \$120K over asking! (Sold for \$620K)

Hayward Park Neighborhood

1,032Sq Ft | 2 Bedrooms | 1 Bathroom | Central Park is your backyard

808 Laurel Avenue #107, San Mateo

*Welcome 808 Laurel Condominiums
to Hayward Park!*

Remodeled Kitchen, Bathroom, Hardwood floors,
New Carpet, Built-in Shelving & Desk, Private Deck,
Central Park is your backyard and
walk to downtown!



Chris Eckert

Your Mid-Peninsula Realtor
www.chriseckert.us
650.274.1129

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Virtual Tour
www.808Laurel107.com

You want me to sell your What?

In December, we were asked to sell a unit in a Co-Op building for an estate of someone who passed away two years earlier.

You might call this unit a Condo, but that is only partly true.

The complex was actually a Co-Op in the process of becoming a Condominium. In a Condominium complex, each owner owns their unit, plus a percentage of the common areas. In a Co-Op, the Homeowners Association sets up a corporation which owns the entire building and common area. Each owners get a share of stock in the corporation, with an exclusive use of their particular unit. Living in a Co-Op is really no different than living in a Condominium, until it comes to financing.

You may have heard of Co-Op's in New York City. There was one in the news where the Co-Op board rejected a celebrity who wanted to buy in their building. Why is this? Each candidate is bidding to become a shareholder, buying a membership in a cooperative. Consequently, new members are rigorously screened. There are more opaque factors such as what they might consider a disruptive lifestyle, e.g., "paparazzi-prone rock star". A poor interview (even a "pet interview," with a potential neighbors' animal, required by some boards) can ruin a potential buyer's chances. Co-Op boards don't specify their reasons, lest they be sued.

For all the "Sex and The City" fans, you might recall the episode when Carrie Bradshaw's apartment building was converting to a Co-Op and she now had the opportunity to buy it. Carrie didn't have the capital required to buy her apartment so Charlotte gives her diamond ring to Carrie as a down payment.

Co-Op's are very rare in the Bay area. Since they are rare, many mortgage lenders will not lend to a buyer who is buying a Co-Op. The only lender in our area who loans against a Co-Op requires a minimum of 30% down and charges a ½-1% higher interest rate than on a standard Condominium. Because of the higher interest rates and limited mortgage options, a majority of the residents in this Co-Op chose to convert to a Condominium. They hired a conversion consultant from New Jersey and proceeded to go through the laborious, two year process of converting.

When I was hired to sell the unit, the conversion had not yet been completed. The family was being pressured to settle the estate and could not wait any longer. We faced the challenge of marketing a property which was somewhat in limbo. It wasn't a Co-Op any longer, but it was not yet a Condominium. Could we sell it to someone who needed to get a mortgage or did we have to limit ourselves to only cash buyers?

Michele, my Executive Assistant, and I, set about doing the research on how to best sell the property and maximize the value of the estate. She contacted the conversion company in New Jersey and found that they were within two months of completing the conversion. In fact, we learned that the Condo CCR's had been recorded and the property was now officially named "808 Laurel Condominiums". This information was paramount as we now knew exactly how to market the condo as a CONDO.

You could not purchase this as a Co-Op. In addition, an *All Cash Buyer* or a *Conventional Loan* were highly recommended as these two scenarios would be the first to close as they *did not* require Fannie Mae Approval which at this time **is still** pending. Having this information allowed for the winning buyer to be able go into contract during the final stage with a clear understanding of the timeframe. Once the conversion was done, any buyer with a standard mortgage ready to fund would be able to close on this unit. This allowed us to market to both cash buyers and those with a standard mortgage.

We knew that having any uncertainty in the minds of a buyer about the conversion process would limit the number of buyers who would bid on the property. To avoid this, we wrote up a two page detailed summary of the conversion process and gave it to all interested buyers and included it as part of our disclosures. We needed a buyer that would go into contract but be flexible with the close date. Our research made this possible as buyers understood the process and had realistic expectations.

The buyer peace of mind that we were able to give resulted in **6 offers** and a winning bid of \$620,000 which was \$120K over asking! This might not seem like a lot in our super-heated Bay Area Seller's Market, but when you consider that the last sale in this building of an identical sized unit sold for only \$480,000; **We Did Well!**

When you hire me to sell your property, I don't just sit back and wait to collect the commission. The **Chris Eckert** Team will do whatever is necessary to maximize the value of your property and make the process as smooth as possible for you. *I love what I do! - Chris*