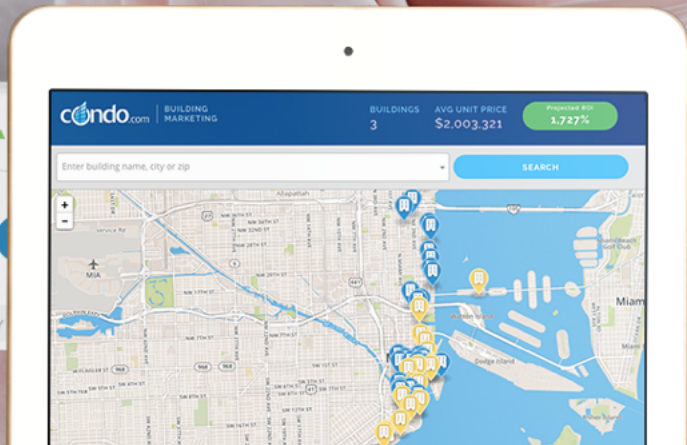


# The Condo Buyer's Guide

FROM START TO FINISH



 **condo.com**



## CONDO BUYER'S GUIDE

# 20 Questions To Ask When Buying a Condo

### 1 **CONDITION?**

What's the condition of the unit you're considering—the building—the entire complex?

### 2 **COMMON AREAS?**

Are common areas well-maintained?

### 3 **FOR SALE?**

How many condos are for sale? (A large percentage could be sign of problems.)

### 4 **OWNER OCCUPIED?**

What percentage of the units are owner-occupied? (Lenders may balk if the majority are rented.)

### 5 **CONDO FEES?**

How much are the condo/association fees and what do they cover?

### 6 **RESERVES?**

Does the association have adequate reserves for emergencies and renovations? (If not, you could face a special assessment.)

### 7 **BOARD TEMPERAMENT?**

What's the temperament of the condo board? (Board minutes could reveal controversies.)

### 8 **LAWSUITS?**

Are there pending lawsuits against the association or judgments you might have to help pay?

### 9 **INSURANCE?**

What does the association's insurance cover? (You may need supplemental insurance to protect everything else.)

### 10 **DEBT?**

How much outstanding debt does the association have?

### 11 **ARREARS?**

What percentage of the units are in arrears on their dues?

### 12 **ASSESSMENTS?**

Does the seller owe back fees or assessments that may become your responsibility when you buy?

### 13 **NEIGHBORHOOD?**

What's the neighborhood like? (Ask neighbors and walk the area at night and on weekends to check when residents are home.)

### 14 **PARKING?**

Does the unit come with reserved parking?

### 15 **GUEST PARKING?**

Is there adequate additional parking for guests?

### 16 **STORAGE?**

Will you have extra storage space for bikes, paddleboards and the like?

### 17 **MANAGEMENT?**

Is the association managed by a qualified professional company?

### 18 **COMPLAINTS?**

Does management handle owner's requests and complaints quickly?

### 19 **RENT?**

Do association rules limit your ability to rent the unit?

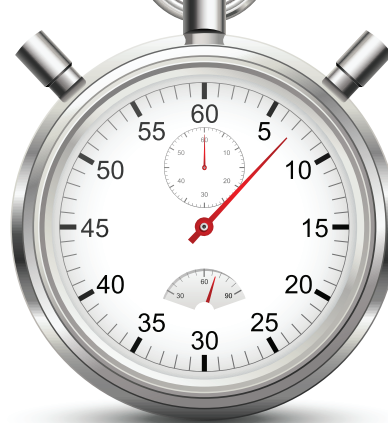
### 20 **RESTRICTIONS?**

Will restrictions prevent you from changing visible elements such as the color of the front door or your window coverings?

Condos have a variety of unique attributes that distinguish them from single family homes.

Be sure to get these questions answered to avoid costly post-closing surprises.

# The Timeline



1

## START SAVING

A 20% cash down payment is typically required when purchasing a home



2

## IMPROVE CREDIT SCORE

Good credit is key to securing a home loan with favorable terms



3

## CALCULATE WHAT YOU CAN AFFORD

A simple calculation will show you how much home you can buy



4

## GET MORTGAGE APPROVAL

A mortgage broker can help you secure approvals



5

## DECIDE WHAT YOU WANT

You can narrow your choices by starting your search online



8

## NARROW CHOICES

A building visit with your realtor will help you narrow the field

7

## VISIT CONDOS

Many buildings have online tours to start the process



9

## MAKE AN OFFER

Your agent can help you with this process

12

## CLOSE & MOVE IN!

Time to celebrate and unpack into your new home!



10

## SCHEDULE INSPECTION

Identify issues for seller repairs or credits

11

## FINAL WALKTHROUGH

One more step before it's yours



## CONDO BUYER'S GUIDE

# The Condo Buyer's Checklist

### KEEP TRACK OF CONDO CONDITIONS

By tracking the status of the condos you visit, you'll be able to negotiate purchase price reductions and credits for a more favorable deal.

#### FLOORING, WINDOWS & CEILING

##### FLOOR

- ☐ AGE \_\_\_\_\_
- ☐ CONDITION \_\_\_\_\_
- ☐ TYPE \_\_\_\_\_

##### WINDOWS

- ☐ AGE \_\_\_\_\_
- ☐ HURRICAN GLASS \_\_\_\_\_

##### CEILING

- ☐ CONDITION \_\_\_\_\_

#### ROOMS - BEDROOM 1

##### Y N

- ☐ ☐ CONDITION \_\_\_\_\_
- ☐ ☐ CLOSETS \_\_\_\_\_
- ☐ ☐ BATHROOM \_\_\_\_\_

#### ROOMS - BEDROOM 2

##### Y N

- ☐ ☐ CONDITION \_\_\_\_\_
- ☐ ☐ CLOSETS \_\_\_\_\_
- ☐ ☐ BATHROOM \_\_\_\_\_

#### ROOMS - BEDROOM 3

##### Y N

- ☐ ☐ CONDITION \_\_\_\_\_
- ☐ ☐ CLOSETS \_\_\_\_\_
- ☐ ☐ BATHROOM \_\_\_\_\_

#### BATHROOMS

##### Y N

- ☐ ☐ STAIN-FREE?
- ☐ ☐ MILDEW/MOLD-FREE?
- ☐ ☐ LEAK-FREE?
- ☐ ☐ CABINET & STORAGE SPACE?
- ☐ ☐ WORKING FANS?
- ☐ ☐ FUNCTIONING TOILET?

#### KITCHEN

##### Y N

- ☐ ☐ STAIN-FREE?
- ☐ ☐ MILDEW/MOLD-FREE?
- ☐ ☐ LEAK-FREE?
- ☐ ☐ CABINET & STORAGE SPACE?
- ☐ ☐ WORKING FANS?
- ☐ ☐ WORKING GARBAGE DISPOSAL?

#### WALLS

##### Y N

- ☐ ☐ STAINS?
- ☐ ☐ NEED RE-PAINTING?
- ☐ ☐ SOUNDPROOF?

#### ELEVATORS

##### Y N

- ☐ ☐ CREAKY?
- ☐ ☐ SIGNS OF DAMANGE?

#### DOORS

##### Y N

- ☐ ☐ OPEN & CLOSE PROPERLY?
- ☐ ☐ WEATHER PROOFED?
- ☐ ☐ WORKING DOORBELL?

#### COMMON AREAS

##### ENTRY

- ☐ VALET \_\_\_\_\_
- ☐ PACKAGE SERVICE \_\_\_\_\_

##### LOBBY

- ☐ DOORMAN \_\_\_\_\_
- ☐ SECURITY \_\_\_\_\_
- ☐ MAILROOM \_\_\_\_\_

##### STORAGE

- ☐ SPACE & PRICE \_\_\_\_\_

##### HALLWAYS

- ☐ CONDITION \_\_\_\_\_

##### POOL

- ☐ CONDITION \_\_\_\_\_

##### ACTIVITY ROOM

- ☐ CONDITION \_\_\_\_\_

##### GYM

- ☐ CONDITION \_\_\_\_\_

#### GARAGE

##### Y N

- ☐ ☐ AGE \_\_\_\_\_
- ☐ ☐ CONDITION \_\_\_\_\_

#### LANDSCAPE & CURB APPEAL

- ☐ BUILDING SIGNAGE \_\_\_\_\_
- ☐ GATE \_\_\_\_\_
- ☐ GARDENS \_\_\_\_\_





## CONDO BUYER'S GUIDE

# Buyer's Condo Closing Costs

### UNDERSTAND YOUR CLOSING COSTS

Closing costs for condos vary from state-to-state.

Costs from a typical market are shown below.

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<b>Origination Fees:</b>	A fee charged by your lender to process the paperwork on your loan. This fee typically ranges from 1-2% of the loan amount and includes the Loan Origination Fee (commission), Processing Fee and Underwriting Fee.
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<b>Credit Report Fee:</b>	The bank or mortgage broker will require a credit report to determine your ability to pay back the loan. Typically under \$100.
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<b>Appraisal Fee:</b>	This third-party estimate of value helps you and the bank determine if the home has adequate value for the requested loan. Appraisals range from \$500 - \$1000.
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<b>Home Inspection Fee:</b>	This fee is charged by a licensed inspector that reviews the condo's structure, electrical and plumbing systems and tries to identify other potential issues with the condo. Inspection fees range from \$250 - \$500.
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<b>Title Search Fee:</b>	To ensure you will have the proper chain of title when you purchase your condo, a title search is required and ranges from \$100-\$250. Sometimes this fee is including in a package which includes title insurance and attorney fees.
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<b>Lender's Title Insurance:</b>	Lenders require borrowers to buy an insurance policy to cover the lender in case the title is later found to be defective. Fees vary state-by-state, but can range from a few hundred to a few thousand dollars depending on the size of the loan.
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<b>Postage / Courier:</b>	A lot of paperwork is involved in the sale of a condo, and in some cases, your lender may hire a courier to transport the documents quickly and securely. Fees are approximately \$100.
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<b>Attorney, Closing and Settlement Fees:</b>	Lender costs for their counsel to review and prepare the loan documents for closing. Costs range between \$500 and \$700.
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## CONDO BUYER'S GUIDE

# Additional Closing Costs

### THERE ARE UNIQUE COSTS ASSOCIATED WITH NEW CONSTRUCTION

Consult with your attorney or real estate agent  
for more details.

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<b>Recording Fees:</b>	Fee charged by the local government to make a public record of the sale to serve as a means of notice. Fees range by location but are typically around \$200.
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<b>Transfer Tax:</b>	An amount charged by some state and local governments on all home sales. Rates vary by location.
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<b>Homeowner's Insurance:</b>	Lender's require you to have homeowner's insurance at the time of closing and it will often be prepaid. Premiums vary by coverage and state.
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<b>Mortgage Insurance Premium:</b>	Based in the size your downpayment, the lender may require you to pay for mortgage insurance which will be pad at the time of closing.
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<b>Owner's Title Insurance:</b>	Optional insurance policy that covers the homeowner from issues with title.
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<b>New Construction Costs:</b>	Depending on the state (NYC has a variety of fees), there can be additional costs when buying in a new building. These costs may include a Resident Manager's Fee (building super), developer / sponsor fees, working capital contribution for the common areas and other attorney fees. Make sure you get all fees in writing from the developer or broker when buying new construction.
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## CONDO BUYER'S GUIDE

# The Inside Scoop to Condo Living

**CONDOS ARE VERTICAL COMMUNITIES**  
**WITH HUNDREDS OF RESIDENTS**  
Make sure the building's lifestyle and resident mix is right for you.

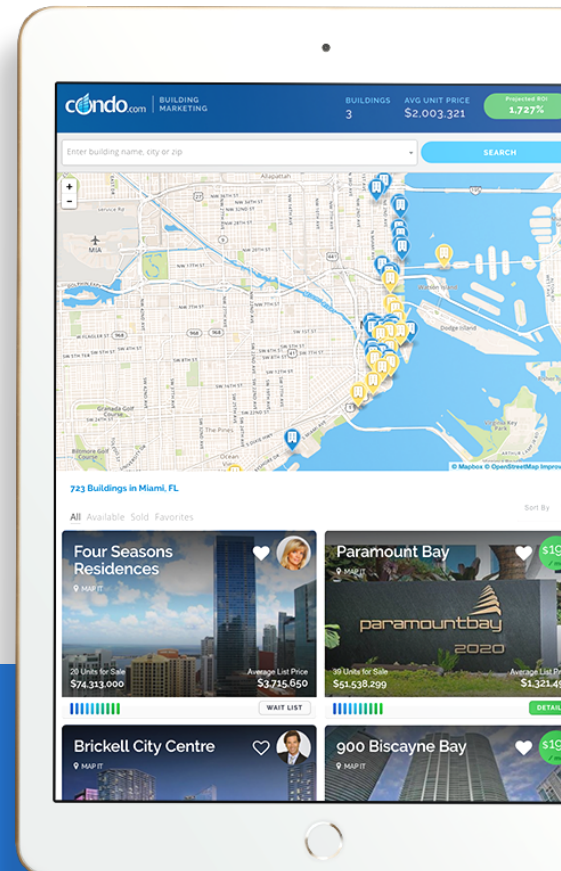
## Getting a Good Deal

The best way to see if you are getting value is by having your broker provide you with a CMA or competitive market analysis. This will show you comps for similar condos that have recently sold.

On Condo.com you can see all available inventory by building and how your specific property compares in terms of price, price per square foot and time on market. If there are no comparable units for sale or recent sales within your building of interest, you can review comps in nearby buildings and the local neighborhood.

It is important to note that condo values are hard to automate because of the varying views and location within the building. When relying on web-based valuation tools, be sure to consider what floor your property is on and whether you've got a city, bay, golf course or ocean view.

**Know your data before making an offer.**



## Understanding the Residents and Your Building's Community

Every condo building is a distinct community with a different type of resident and lifestyle. In order to get a good sense of the building's character and resident type, there are three primary tools we recommend:

### REVIEWS

In addition to the building reviews on Condo.com, there are a variety of websites that have building reviews for apartments and condos. See what your potential neighbors are saying.

### SOCIAL

Many buildings have their own Facebook or Instagram pages. You can quickly get a sense for the residents and building lifestyle by reviewing the building's online media accounts. Don't judge a book by its cover, but use social as a point of reference in your overall decision-making process.

### NEIGHBORHOOD DATA & POINTS OF INTEREST

To understand the restaurants, shopping and points of interest around your building, use one of the many neighborhood review sites to understand what's to do in and around your building. Condo.com has a comprehensive list of local restaurants, shopping and activities on each building page.