

## CONDOMINIUM BUYER'S CHECKLIST

- Investigate integrity and financial stability of the developer. How long has he/she been in business? Does he/she have ample capital to complete the project is still under construction? Check with your banker or Better Business Bureau. The best protection is a bond guaranteeing completion.
- If at all possible, look at other condominium projects build by the developer. Talk to some owners about the quality of construction, complaints, and promptness in correcting defects.
- Documents* – carefully read all documents (declaration, by-laws, articles of incorporation, maintenance budget, current financial statement of the association and other documents required by state law, such as the final subdivision report), as well as the title report and a copy of the purchase agreement form. You would be well advised to have your lawyer read these documents as well.
- Amendments* – when purchasing a resale unit, be sure to also read the amendments to the declaration and by-laws.
- Resale Restrictions* – does the declaration contain any resale restrictions? Does the association have the right of first refusal?
- Occupancy Restrictions* – can you live with restrictions imposed on owners by the declaration, such as NO children under specific ages, pets, storage of recreational vehicles or boats on driveways or in common areas, storage of any material or commitment of any act which might affect the validity or premium of insurance, advertising signs or for sale signs, noxious or offensive activities which might be a nuisance to other owners, architectural and decorative alterations unless approved by the association.
- Control of Association* – make sure the declaration does not give the developer unnecessary control over an extended period of time. How long before a board of directors can be elected by the owners? Has too much power been given to a management company that is related in some way to the developer?
- Condominium Conversion* – in case the condominium is a conversion from an older apartment building, ask to see an engineer's report on the condition of the building and its equipment (roof, foundations, heating and cooling systems, elevators, plumbing system, etc.).

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- Association Fees* – what is included in the association fees? For example: maintenance of common areas, recreational facilities, exterior maintenance of your unit, parking, private streets, trash collection, and liability insurance.
- Maintenance Budget* – inspect the association's maintenance budget to see if certain expenses are underestimated and if allowance is made for replacement reserves.
- Hidden Leasehold Costs* – give preference to a development where all the land and recreational facilities are owned by the members of the owner's association, rather than leased.
- Recreational Facilities.*
- Security* – intercom system? Closed circuit TV? Security guards? Electric gates?
- Parking* -- does each unit have its own designated parking space? How close to the unit? Is the space ample? Guest parking sufficient?
- Storage Space* – is it ample and easily accessible?
- Sound Proofing* – is it adequate?
- Trash Removal* – beware of noisy trash chutes.
- Standard Items* – obtain a comprehensive listing of items which are standard and which are optional.
- Extras* – when ordering extras, obtain written work orders with price quotations signed by a responsible person. Remember, extras are less expensive if installed during construction rather than after completion.
- Model Unit* – are appliances, carpets, draperies, etc. identical to those shown in the model unit?
- Expiration Dates* – Check expiration dates of manufacturer's warranties covering appliances and equipment. The equipment may have been in the builder's storeroom for some time, cutting down on the warranty period.

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- Completion Date* – check on the completion date of your unit. Does the contract provide for delay penalties to the developer?
- To preclude the developer from using buyers' funds to finance a project still under construction, the purchase contract should provide for deposits to be held in a trust fund.
- Inspection* – inspect unit prior to closing. Have written report prepared, signed by you and the developer, stipulating what work, if any, is still to be performed and within how many days.
- Problems* – if there are still problems after you move in, put all complaints to the builder in writing. If he fails to respond in a satisfactory manner, subsequent letters should note that a record of the complaints is being sent to the local building inspector, Better Business Bureau, and consumer agencies.