



Condo Buyer Checklist



At WaLaw Realty, we believe that a client should be actively involved in the home buying transaction. This helps to ensure that the client’s concerns are addressed and the transaction goes as smoothly as possible. To keep our clients involved, we give them a checklist like this one. Please use this complimentary, abbreviated version of our Condo Buying Checklist to help yourself prepare for the condominium buying process, but see the Disclaimer below.

When you sign a contract to purchase a condominium, the law requires the seller to provide you with a lot of information. If you’re buying a newly built condo, you are entitled to receive a Public Offering Statement. If you’re buying a re-sale, you are entitled to receive a Resale Certificate. Included in both are many of the documents discussed below. The issues below in **bold** will be addressed by these required disclosures.

FREE HOME BUYING CLASSES
WaLaw Realty is offering free home buying classes this summer throughout the area. Our next class is at the WaLaw Realty offices in downtown Seattle on July 20th at 6:30 p.m.

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- MINUTES:** Ask to see the last few months of minutes to see what homeowners are complaining about and to see what the Board of Directors (BOD) of the Homeowners Association (HOA) has had on the agenda lately. Look for current projects underway, any talk of raising the dues and the discussion of future special assessments in the works.
- DELINQUENCIES:** Find out what the current delinquency rate is. Are you living with responsible community members or is the community underfunded?
- RESERVE STUDY:** Ask to see a copy of the last Reserve Study. This is a mandatory annual report showing the status of the property physically and the anticipated costs of maintenance over the next 10-20 years. A well-run condo will have sufficient reserves to cover these anticipated costs.
- INSURANCE:** Ask for a copy of the Certificate of Insurance. This summarizes the association’s policy. Find out what you are responsible for versus the HOA. Sometimes the HOA insurance will cover the interior of your unit, sometimes it won’t. Figure out what is covered by the HOA policy — and paid for by your HOA dues— and you can then estimate your own additional insurance costs.
- DECLARATION:** The condo declaration is the legal document that creates the condominium form of ownership. It sets forth the rights and obligations of all owners. It’s a long, dense, legal document, but nonetheless you should review it yourself. Pay particular attention to the portion dealing with restrictions on your use of your unit.
- RULES:** In addition to the restrictions included within it, the declaration authorizes the HOA to enact and enforce additional rules regarding use of your unit and the common areas. Make sure these rules are acceptable to you.
- RENTALS:** The declaration will likely spell out any restrictions on renting your unit. Its not uncommon for a building to limit the number of rentals, and if the building has reached that limit you will not be able to rent. But even if you’re planning on living there yourself, you still want to look into the issue, because its non uncommon for tenants to be less considerate neighbors than other owners. How many units are homeowner occupied?

- PROPERTY:** Check it out! Drive by the community at various times and check out who your future neighbors might be. Does the property look well maintained?
- MEET & GREET:** Talk with future neighbors and ask them, “How do you like living here? What are the pros and cons?” Of course, it’s always good to ask more than 1 person.
- MANAGEMENT:** (included in a Public Offering Statement only): Most condominiums, and virtually all large ones, employ a management company. Who is the current management company, or is the HOA self-managed? Do the homeowners like working with them? How about other homeowners in other buildings also managed by the same company? Check on-line and research reviews made by people who have worked with that company.
- PETS:** Are pets allowed? Anything other than dogs and cats? Are there any breed restrictions or other rules you need to know regarding pets?
- WEBSITE or BLOG:** Is there are current website or blog you can refer to for the HOA regarding your community? Many times this is where you will find helpful information (minutes, important documents, reports of delinquencies, financials, etc) and it usually available to review before purchase.
- DEVELOPER:** Is the developer still involved in selling units? Does it have remaining ownership rights to any units or amenities? Also, and particularly for newer condos, does the developer have a good or bad reputation for quality construction?
- DUES:** Every condo owner pays something in dues to cover the costs of joint ownership. How much are they? What do the dues cover? Typically they include HOA insurance, landscaping, outside electricity, sometimes garbage/water/sewer, management fees, and reserve account allotment.
- PRIVACY:** How many adjoining neighbors will you have? Are you choosing a lower, middle or upper unit? How will this affect you? The more adjacent units, the greater the chance of there being noisy neighbors, and units above are often the source of noise complaints. How secure and private is the patio or balcony?
- PRIOR LAWSUITS:** Is there a pending lawsuit? Has there ever been a law suit? This is important for two reasons. First, the lawsuit may indicate a problem with the building in general (such as a construction defect) or the community (such as a collections case against an owner for past due assessments). Second, a lawsuit can be expensive, and if its against the condo there could be a big bill down the road, and if you’re an owner you will be liable for part of it.
- FHA APPROVED:** Is the community FHA approved? This is good to know because most properties need to be FHA approved for loans to be granted. As a general rule, it will be easier to sell your unit in the future if the condo is FHA approved.
- PARKING:** How many parking spaces come with my unit? Where are they located in regards to my actual unit? Are there any additional spaces to purchase if need be? How many total visitor parking spaces are there? Where are they located? Can homeowners park in visitor? What are the policies for guests visiting?
- STORAGE:** Does your unit come with a storage space? As a general rule, if you’re moving from a house to a condo you’ll need extra storage outside of your unit.

We are of course more than happy to assist! Please call us to determine if we are a good fit for you: (206) 357-4224

DISCLAIMER: (1) WaLaw makes no representations or warranties whatsoever about the accuracy or utility of this checklist, and any user of this checklist uses it completely at his or her own discretion and risk; (2) By providing this checklist, WaLaw does NOT create an attorney/client relationship with the user; and (3) Any free resource available on the internet, including this checklist, is NOT a substitute for hiring a professional to assist you in your transaction.