

How to buy a Condominium

Without a doubt, condominiums are among the hottest-selling properties in North Texas and nationwide. So far this year, local condo sales are up almost 12 percent—and that’s in a city undergoing a condo building boom. What makes living in a condo so appealing? It’s low maintenance, loaded with amenities and less expensive than single-family home.

If you’re thinking about buying a condominium, however, you’ll want to consider a few things before signing on the dotted line. Begin thinking about how long you plan to stay in the condo. Because buying on is no different than buying a home, you’ll need to live there at least a couple of years before you can recoup your closing costs. Keep in mind that the value of condos usually appreciates at a slower rate than single-family homes.

And remember, all condos come with monthly maintenance fees, which can range from \$100 to \$500 or more. These fees finance maintenance of common areas such as swimming pools, fitness centers, landscaping, storage areas, parking lots, hallways and the building’s exterior. You have to pay for the pool and the sauna even if you’re not interested in swimming or sweating. On the other hand, if a certain feature is a major selling point for you, make sure it will be available if and when you buy. For example, the complex may have abandoned a tennis court due to insurance costs.

Barry Jones, manager at The Renaissance on Turtle Creek, recommends studying condo documents carefully to determine what the association fees cover. “Fees at The Renaissance cover all services, including routine maintenance, the gym, pool, concierge and other amenities,” he says. “And you have the convenience of being able to lock the door and leave without worry. If there is a flood while you’re away, we are there to take care of it.”

Next, look at who lives in the building. Are there many older adults? Young professionals? Is crime a problem? Is it in good condition? Is there adequate soundproofing? Talking to residents is the best way to gauge the quality of the building and its management. It’s the best way to find out if you’ll fit in at the complex. It’s also a good way to find out about adverse conditions. A disgruntled owner will be much more forthright about major issues than the person trying to sell you a unit.

Be sure to inquire about the homeowners association (HOA). Ask about the issues that are important to residents and how much the HOA has in reserve for maintenance and emergency repairs. A low reserve means a high chance of being assessed for unexpected expenses.

“Find out how restrictive the HOA is,” Mr. Jones advises. “You want one that cares about the outward appearance of the building, what is allowed on the balconies and in the windows,” he says. “No one wants a neighbor putting up foil in the windows or painting the banister rails.”

On the other hand, an overly restrictive HOA can give you headaches. An HOA can regulate home businesses, landscaping, window coverings, outdoor lights, holiday decorations and more. You can request the HOA meeting minutes for the previous year to get a feel for issues owners may be squabbling about, and how strictly rules are enforced.