



Buying a Condo Posses Some Unique Queries

Bill Johnston

TREB PRESIDENT'S COLUMN AS IT APPEARS IN THE TORONTO STAR

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Condominium transactions (sales of condo apartments and condo townhouses combined) comprise approximately one in every three resale home transactions in the Greater Toronto Area compared to 25 years ago when condominiums comprised 25 per cent of the market.

There are many advantages to condo living including energy efficiency, proximity to amenities and maintenance free living. There is also a wider selection of condominium housing structures than ever before.

Regardless of the structure all condominium owners hold title to their units and share ownership and responsibility of and for the operating costs of the common elements that comprise the balance of the property.

Maintenance fees, which are paid in addition to your mortgage and property taxes, are directly related to the size of each condominium apartment unit.

While the maintenance fees may include the cost of heat, hydro, building insurance and upkeep of common areas, it is important to understand specifically what is covered in the maintenance fees.

Ask your REALTOR® for help in understanding what your fees will include in the particular condominium you're interested in buying.

Condominium townhouses may also involve maintenance fees. In this case, fees are related to common areas outside of the structure like Snow removal and lawn care.

There are a number of details involved in a condominium purchase that are unique to this housing type. As such, it's wise to work with a REALTOR®, regardless of whether you are buying a new or resale unit.

When buying a new condo unit, buyers should request a disclosure statement. It includes a description of the

project's most important features, bylaws that govern the corporation, rules that regulate owners' living environments and the condominium corporation's budget for the first year after registration.

When buying a resale condo, buyers should also request a status certificate, which offers similar information and confirms that the owner is current with common expenses. It's important to speak with your REALTOR® and discuss which conditions are best suited for your offer.

The move-in date for a new condominium is referred to as an occupancy closing, which takes place until the condominium corporation is registered. Again, ask your REALTOR® to help you understand exactly what is and can be expected at closing.

A condominium Board of Directors, consisting of at least three Directors, is responsible for ensuring monies are held in trust, funds are properly invested and records are kept.

Owners meanwhile are responsible for ensuring their units are in good repair and must seek approval for structural changes within them.

To be sure that you are clear as to your responsibilities as a condominium buyer, be sure to talk to a Greater Toronto REALTOR® who can help you find a condominium ideally suited to your lifestyle. For more information visit www.TorontoRealEstateBoard.com

Bill Johnston is President of the Toronto Real Estate Board, a professional association that represents 32,000 REALTORS® in the Greater Toronto Area.

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