

Valuable information for buyers and sellers.



Many first-time buyers purchase a condominium residence. Those buyers hoping to get under contract on a condo in the next several weeks so they can take advantage of the \$8,000 tax credit, should make time for thorough research prior to making an offer.

When you buy a condo, you are also buying into a homeowners association and the related maintenance and repairs. As a result, would-be condo buyers should consider the following:

- Review the homeowners association's **reserve study**, which outlines the minimum level of funds to keep in reserve for repairs. Make sure to understand the condo's plan for maintenance and how it will be paid for.
- Find out if there have been any **special assessments** and/or if any are planned. Special assessments are levied for unbudgeted expenses, and all homeowners in a condominium complex must pay their share.
- Ask how many owners are behind in their payments. A **delinquency rate** of more than 15 percent can be a red flag.

[Click here](#) for more information about becoming a first-time homebuyer.