

Buying a Condo – Tips on Getting the Best Value

If you're a first-time homebuyer, a current homeowner looking to downsize or a parent considering buying a secondary property for kids moving for school, chances are you've considered condo ownership.

When looking for a condo, finding the best value is all in the combination of the place, the price and the monthly fees. When calculating how much they will loan to you, mortgage lenders count half of your monthly fees, along with other factors such as property taxes and heat expenses.

Here are some tips to help condo-shoppers get the best value for their purchase:

- 1. Know what your fees cover.** Along with maintenance of the building and common areas, some condominiums will include part or all of your utilities or property taxes in your fees, while others keep them completely separate.
- 2. Check the reserve fund.** The corporation responsible for the condo development should have a reserve fund that's large enough to cover the cost of repairs to the building's common elements. A status certificate (or Estoppel certificate in some provinces) will show any planned developments that could increase your monthly fees or require a special one time assessment. You can find similar details in the condo corporation's annual meeting minutes.
- 3. Think twice about upscale amenities.** Keep in mind that building features like pools, saunas, deluxe fitness areas or large common rooms typically require higher condo fees to cover the upkeep. Consider whether you'll really use these features enough to make the extra cost worthwhile.
- 4. Check the regulations.** Make sure you're aware of any bylaws governing your condo development that could affect your lifestyle. For example, bylaws may restrict household pets, gas barbecues, working from home or renting the unit to a tenant.
- 5. Consider your neighbours.** Is the building mainly occupied by owners, or renters? Residents who own and have a vested interest in the building may be more careful about upkeep