

The Condo Buyer's Due Diligence Checklist

THE QUESTIONS EVERY CONDO BUYER SHOULD ASK BEFORE CLOSING



YOUR DUE DILIGENCE MATTERS

A condo purchase isn't just about the unit—you're also buying into the financial health, governance, and long-term maintenance of the community. Asking the right questions before closing can help you avoid costly surprises after move-in.



PROPERTY & BUILDING BASICS

- ☐ Check the property's FEMA flood zone and flood history
- ☐ Review the age and condition of major building components (roof, elevators, windows, balconies, etc.)
- ☐ Look for signs of deferred maintenance in common areas
- ☐ Understand what amenities are included—and who pays to maintain them



HOA RULES & GOVERNANCE

- ☐ Read the Declaration, Bylaws, and Rules & Regulations
- ☐ Review architectural or renovation restrictions
- ☐ Understand move-in, move-out, and leasing procedures
- ☐ Ask whether the HOA is involved in any litigation
- ☐ Verify whether there are any pending rule changes



INSURANCE

- ☐ Review the HOA's master insurance policy
- ☐ Determine what your HO-6 policy needs to cover
- ☐ Understand deductible responsibilities
- ☐ Verify flood insurance requirements
- ☐ Ask whether loss assessment coverage is recommended



HOA FINANCIAL HEALTH

- ☐ Review the current HOA budget
- ☐ Review recent financial statements
- ☐ Ask if a reserve study has been completed
- ☐ Review the HOA's reserve fund balance
- ☐ Ask about current or upcoming special assessments
- ☐ Ask about planned capital improvement projects
- ☐ Review recent HOA meeting minutes for recurring issues



OWNERSHIP & RENTAL RESTRICTIONS

- ☐ Is there a rental cap?
- ☐ What is the owner-occupancy percentage?
- ☐ Are rentals permitted, and are there minimum lease terms?
- ☐ Are pets restricted by breed, size, or quantity?
- ☐ Are there occupancy limits?



QUESTIONS BUYERS COMMONLY FORGET

- ☐ Are there any known structural or engineering issues?
- ☐ What utilities are included in HOA dues?
- ☐ Are there any transfer fees, move-in fees, or capital contribution fees?
- ☐ Are there restrictions on financing (FHA, VA, conventional)?
- ☐ Is there an on-site management company?
- ☐ Is the HOA adequately insured given today's insurance market?
- ☐ Has the association had difficulty obtaining or renewing insurance coverage?



RED FLAGS

- Low reserve funding
- Frequent special assessments

- Significant deferred maintenance
- Active HOA litigation

- Low owner-occupancy percentage
- Rapidly increasing HOA dues

- Restrictive rental policies
- Inadequate master insurance coverage