

Legal Hotline for Michigan Seniors

1-800-347-5297

Celebrating 15 years of Service

3815 W. St. Joseph Street, Suite C-200

Lansing, Michigan 48917

www.legalhotlineonline.org

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This information should be used for informational purposes only and should not be used in place of legal assistance with an experienced attorney.

CONDOMINIUMS

A condominium is a form of ownership, not a type of structure. While individual residents own their own units, all of the residents own the parts of the complex which are used by all. Each resident is a member of the condominium association. This association maintains the joint facilities, sets the rules for the complex and charges members a monthly assessment fee to maintain the grounds. This fee may go up as expenses increase.

There are advantages to the condominium lifestyle. The freedom from exterior maintenance which most condominiums offer may be appealing to homeowners who are tired of mowing lawns or shoveling snow. Some condominiums offer pools, tennis courts community houses and golf courses – features which few residents could afford individually. In addition to these benefits, mortgage interest and property taxes may be deducted from income taxes, making condominium ownership more financially attractive than rent.

At the same time, there are possible pitfalls. For example, residents of one Michigan complex experienced many problems within the first year after they moved into their homes. Basement walls cracked, garage doors separated from brickwork, loose siding pulled away from buildings, and trees and shrubs were dead, missing or never planted.

It should also be noted that the resale value of condominiums has not increased as rapidly as the value of a single-family home. In addition, *Changing Times* magazine has pointed out that many condominium

associations have rules – such as restricting the type of pets or hobbies residents may have – which may make the condominium more complicated to sell than an individual home.

Before Purchasing A Condominium

- Get the information on the developer's past business record by checking with a local consumer group or Better Business Bureau. You may also want to check with the Attorney General's Consumer Protection Division, 525 W. Ottawa Street, 6th Floor, Law Building, Lansing, MI 48913 or the Michigan Department of Commerce, Condominium and Living Care Section, P.O. Box 30222, Lansing, MI 48909. Both agencies can report whether there are any complaints filed against the developer.
- If recreational facilities are proposed for the future, ask when they will be completed and make sure this date is included in the purchase agreement. Remember, oral promises are seldom binding.
- Be sure you know your rights and responsibilities under the Michigan Condominium Law. An attorney should be able to explain the protection this law offers consumers. Questions about the law could also be directed to the Condominium and Living Care Section of the Department of Commerce. In addition, this agency has pre-purchase information on condominiums and investigates complaints against condominium developers.

If you are a senior, you can get specific questions answered at the Legal Hotline for Michigan Seniors. Call 1-800-347-5297 (372-5959 for the Lansing area).

The Legal Hotline is a program of Elder Law of Michigan, Inc., a non-profit organization. If you would like to support our work, please consider sending a tax deductible donation to the Legal Hotline, 3815 W. St. Joseph, Ste C-200, Lansing, MI 48917. Thank you.

