

# WHAT ARE THE DIFFERENCES?

CONDOMINIUMS • TOWNHOUSES • OWN-YOUR-OWN • PLANNED UNIT DEVELOPMENT

|             | Condominium  | Townhouse  | Own-Your-Own Apartment   | Planned Unit Development (PUD)   |
|-------------|--|--|--|--|
| What is it? | Single unit that usually resembles a finely finished apartment. Found in large and small, high-rise or low-rise complexes              | The floored unit that shares a common wall with at least one other townhouse. (also known as rowhouses)  | An older apartment in a building which was divided up prior to the condominium law in California. Difficult to obtain financing.                     | Single-family Residential Unit. A detached home, with rights and easements for use of the common areas.                      |
| Ownership   | Owner has title to interior space of unit and shares title to common areas of the complex.   | Owner has title to unit and land under unit and shares title to common areas, if any. Some ownership arrangements more closely resemble those of condos. | Owner has a fractional ownership interest in the entire property coupled with the right to occupy a certain apartment and sometimes a parking space. | Owner has title to the land and improvements thereon. In addition, may have rights and easements to use in the common areas. |
| Governed by | Condominium's board of directors (elected by residents) in accordance with Bylaws and Covenants, Conditions, and Restrictions (CC&R's) | Homeowner's Association, in most cases (elected by the residents)  | Usually a Homeowner's Association  | Homeowner's Association, in most cases (elected by the residents)  |

Here are a few documents you need to review before you buy a condominium.

**Bylaws** - they are operating rules for the condo association and includes the legal descriptions of all individual units and common areas.

**House Rules** - what is allowed in the common areas.

**Covenants, Conditions and Restrictions** - private restrictions on the use of subject property.

**Critical Questions to ask:**

- How much of a reserve fund does the association manage for the cost of repairs to common areas?
- Is there enough to cover maintenance without having to tap homeowners for special assessments?
- Is the HOA involved in a lawsuit against the builder, and if so, what is the status?

Be sure to ask for a copy of the current year's association budget and ask about any history of special assessments.

Information deemed reliable, but accuracy is not guaranteed.