

## Potential Problems with New Builds (Condos)

1. Bad workmanship
2. Poor quality building materials
3. Developer/builder goes bankrupt
4. Cost overruns
5. Prices fall while being built
6. Dealing with construction (not all complete at the same time)
7. Quality control issues with different trades
8. Building supply shortages
9. Banking /mortgage approval at time of possession
10. Buyers defaulting on purchase at completion
11. Expensive marketing techniques required
12. Increase in costs from time of purchase to possession
13. Weather delays
14. Issues with property management companies...Will it be good management?
15. Issues with builders not putting money in reserve fund
16. No condo board
17. Delay in creating condo board, development of reserve funds, study, plans, bylaws
18. Differences with changing plans
19. Misunderstanding on 'standard' finishings (buyer not getting what they think / think they are getting the show suite when in fact they are not)
20. Potentially inexperienced condo board
21. Future condo board expectations not known
22. Terrible location
23. Overpriced in the first place
24. Selling all units
25. Delay in finishing amenities due to decreased sales/occupancy
26. Overpromise & under deliver
27. Bad layouts
28. No parking or assigned unknown
29. Need to find solid investors
30. Traffic problems
31. Builder may not pay commissions
32. Client finds unit on their own
33. Elevator filled with drywall dust
34. No condo docs in place (just proposed ex. budget not known)
35. Don't know who neighbors will be
36. May not know if you will lose your view in the future
37. Uncertain possession date
38. Too many speculators forcing prices down (too many on the market)
39. Pride of ownership issues (don't know how many renters vs owners)
40. Will pets be ok long term, age restrictions
41. How will common area be furnished
42. Security

43. Building issues not visible right off the top (water damage)
44. Condo fee unrealistic & likely to increase first year
45. Badly insulated
46. Low reserve fund
47. Special assessments (1st mistake felt by all)
48. No reputation
49. Builder won't fix or take responsibility for issues down the road ie) elevators don't work
50. Outstanding bills not paid by builder & levied against owners