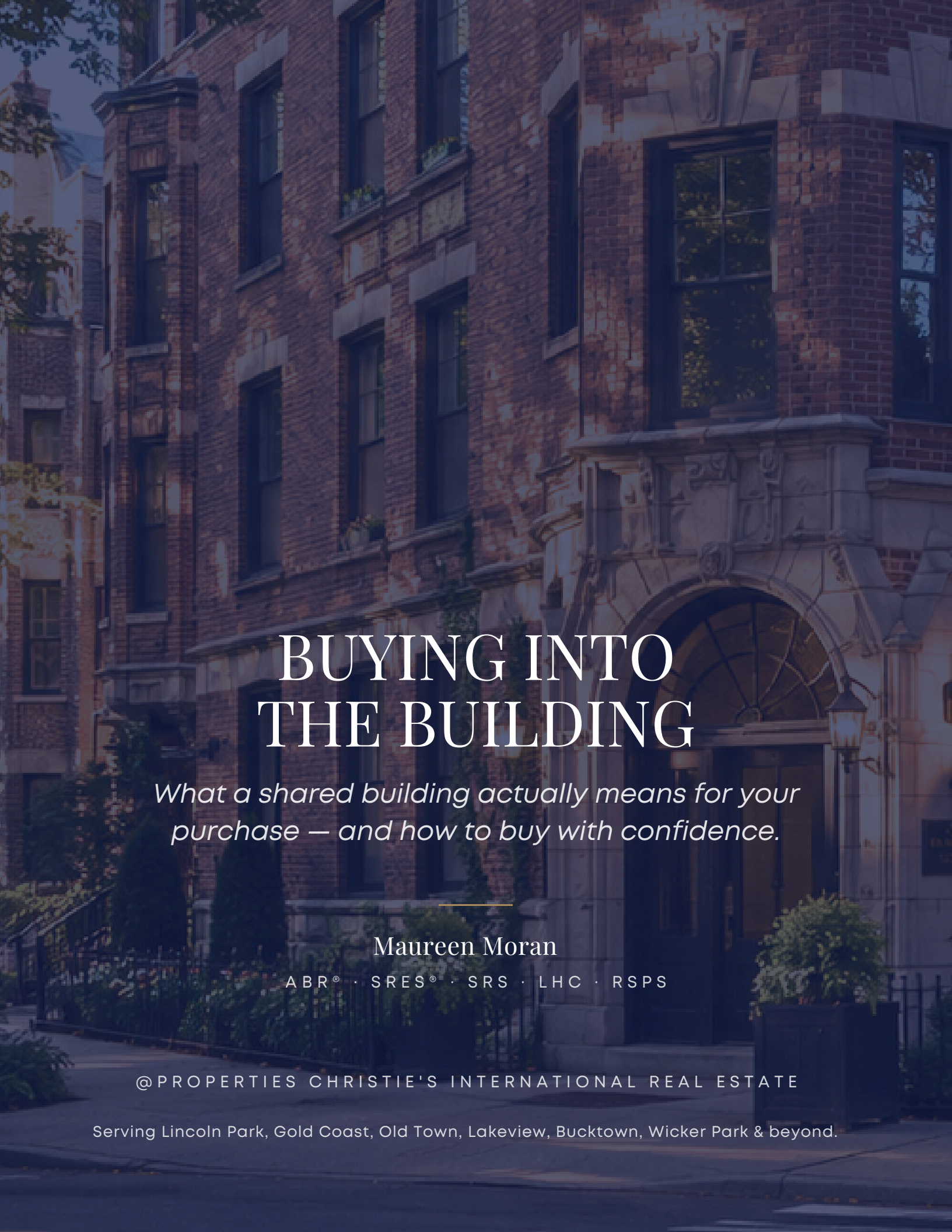


BUYING INTO THE BUILDING

What a shared building actually means for your purchase — and how to buy with confidence.

Maureen Moran

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A THOUGHT BEFORE YOU BEGIN

The buyers who navigate a condo purchase well aren't the ones who knew everything at the start. They're the ones who knew what to ask.

Buying a condo in Chicago is one of the most common paths to homeownership in this city — and one of the most misunderstood.



Most buyers focus on the unit: the layout, the finishes, the view. All of that matters. But when you purchase a condominium, you are also purchasing a share in the building around it — its finances, its governance, and its future. The good news is that Illinois law gives you a clear, structured way to understand what you're stepping into before you commit.

This guide is here to help you understand what questions to ask, what documents to review, and what to look for — so that by the time you reach the closing table, you feel informed, not overwhelmed.

WHO IS THIS FOR

This may be useful if:

- You're purchasing your first condo and want to understand what you're actually buying into
- You're moving from a single-family home, and the condo structure is new to you
- You've been through a condo purchase before, but want a clearer picture of the financials
- You want to know the right questions to ask — before you fall in love with a unit

Buying a condo is different from buying a house. In a condo, you own from the "paint in," as well as a percentage of the "bricks and mortar" (the structure). Understanding that distinction — and what it means financially — is where confident buyers begin.

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THREE THINGS WORTH KNOWING FIRST

Before you search, before you tour, before you offer.

The unit and the building are two different purchases. When you buy a condo, your monthly costs include more than a mortgage. The homeowners association assessment — paid to the building — covers shared expenses: maintenance, insurance, management, and contributions to a reserve fund for future repairs. These vary dramatically from building to building and belong in your budget from day one.

A useful question: What is the monthly assessment, and what does it cover?

The building's finances affect your ability to sell. A well-funded, well-managed association protects your investment. One with deferred maintenance, underfunded reserves, or ongoing litigation can affect your financing options and, eventually, your ability to resell. These aren't rare situations — they're discoverable ones.

A useful question: When was the last special assessment, and why?

Illinois law gives buyers meaningful protections — at the right time. Once you are under contract on a resale condo, Illinois law (Section 22.1 of the Condominium Property Act) entitles you to the 22.1 documents (the building's disclosure packet), a full package of financial and legal disclosures from the association. Your attorney will request these on your behalf. They exist specifically so you can evaluate what you're buying into before you're fully committed.

A useful question: What should I ask my attorney after we review the 22.1 documents together?



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THE 5 STEPS TO CONFIDENT CONDO BUYING

A clear process. A stronger decision.

1

Search with your full monthly cost in mind.

Before you tour, know your number. Monthly assessment, property taxes (billed separately from the association), and any parking or storage fees are part of your real housing cost. Your agent can help you read what's included in the listing — and what isn't.

2

Make an offer. Get under contract.

When your offer is accepted and you are under contract, your attorney review period begins. In Illinois, this is typically five business days. It is also when the Section 22.1 disclosure process is triggered.

3

Your attorney requests the 22.1 disclosures.

This is standard practice in Illinois. Once you are under contract, your attorney will request the association documents from the seller. The seller is required to obtain them from the association's board, which has 10 business days to respond. These documents give you a complete financial and legal picture of the building.

4

Review what you receive.

Your attorney will review the documents with you. So will I. You're looking at financial health, reserve funding, any pending litigation or special assessments, insurance coverage, and the governing rules. This is due diligence — not alarm-raising.

5

Move forward with clarity.

Once you've reviewed the disclosures and completed inspections, you'll have a genuinely informed basis for moving forward — or for asking questions if something warrants attention.

With your approval, your attorney will request an extension of the attorney review period to allow adequate time to review all the HOA documents. Often the attorney can ask for an extension of the deadline to deliver the balance of earnest money until after attorney review is complete.

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WHAT THE 22.1 DOCUMENTS TELL YOU

Document	What to look for
Declaration, bylaws & rules	Rental limits, pet rules, and remodel rules. HOA policies can change.
Statement of liens & unpaid assessments	A lien may be an issue with the underwriter. If someone buys a condo at a foreclosure sale, they may owe the association up to six months of the old owner's unpaid assessments. The rules can be different for the lender.
Capital expenditures — next 2 years	Planned and contemplated projects: roofs, elevators, facade work
Reserve fund status	Illinois law says a condo budget needs "reasonable reserves." It does not set a percentage. Lenders do. Fannie Mae and Freddie Mac ask for 10% of the annual budget now, planned to rise to 15% in January 2027. Ask your lender or attorney what applies. Lender rules as of October 2026.
Most recent financial statement	Ask for 2 years of financial statements to get a clear picture.
Meeting notes and pending suits or judgments	Illinois condo law expects an association to hold an annual meeting of owners. This is where board members are elected. Meeting notes show how often the board meets and what it talks about. Active lawsuits must be disclosed and may show up on a title search. These can affect financing.
Insurance coverage	Bare walls vs. all-in coverage — affects your personal policy
Compliance of prior alterations	Were past changes to units approved and done to code? If not, a new owner can end up paying to fix them.
Association contact information	Needed by your attorney and lender

After a written request, the board must give the seller the Section 22.1 papers within 10 business days. The association can charge a fee. Newer rules may add more papers to the list. Condo laws can change. This is general information, not legal advice. Ask your attorney what applies to your building.

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YOUR TRUE MONTHLY COST

Monthly HOA / assessment Paid to the association, not your lender. Covers building maintenance, management, common area utilities, insurance, and reserve fund contributions. Ranges from a few hundred to several thousand dollars depending on the building and what's included.

Property taxes Your unit has its own tax bill, separate from the association. In Illinois, taxes are paid a year behind, so at closing the seller gives you a credit for their share of the bill. It is not a discount. Budget accordingly.

Special assessments When reserves are insufficient for a major repair, the association levies a one-time charge across all unit owners. These can be significant. The 22.1 documents will show whether any are pending or recently approved.

Move-in fees Many Chicago buildings charge a move-in fee — sometimes a deposit, sometimes a flat fee. Confirm the amount and scheduling requirements early.

Parking and storage Often assessed separately from the unit. Confirm what's included in the listing and what carries additional cost.

Your true monthly cost includes mortgage, assessment, taxes, and any separate parking or storage fees. Run the full number — not just the mortgage payment.



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A SIMPLE READINESS CHECK

This isn't a score. It's just a way to see where you are. If several of these feel true, you're in a good position to move forward with clarity and confidence.

- I understand that the HOA assessment is part of my monthly housing cost
- I know (roughly) the neighborhoods where condo living fits my lifestyle
- I've spoken with a lender, or I'm ready to
- I understand that in Chicago, it's customary for both buyer and seller to have their own attorney
- I'm curious about a building's financial health — not just the unit itself
- I know I'm entitled to review association documents once I'm under contract
- I want an agent who will help me understand what I'm buying, not just find me a listing

A CLOSING THOUGHT



The condo buyers I've worked with who've had the smoothest experiences weren't the ones who knew every detail of condominium law before we started.

They were the ones who understood that a condo is two purchases — the unit and the building — and who took the time to ask the right questions about both.

Illinois gives buyers real protections in this process. My job is to help you use them and to help you understand what you're seeing when the documents arrive.

That's what a confident condo purchase looks like.

★★★★★

She is extremely knowledgeable with the Chicago area, the development history of each neighborhood, and quality of a particular building.

— First-time buyer, Bucktown
Zillow review, 2017

The questions you ask before you fall in love with a unit are the ones that protect you after you move in.

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WHEN YOU'RE READY TO TALK

When the conversation is ready to move forward, I'm here. No timeline, no pressure, just an honest look at what's possible. If you're weighing a condo, bring the listing and your questions, and I'll help you read what the building's documents are telling you.

Send me the listing before you make an offer.

Scan to book

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Living in a condo building
"Running the Building You Live In"

IF YOU'RE BUYING OR MOVING HERE

How buying works
"Buying a Home in Chicago" · "Who's Really in Your Corner?" · "Buying Into the Building"

What it really costs
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