

When shopping for a property, several key factors should be taken into consideration. Use the below as a guide.



Area – Location

1. Location, Location, Location

This timeless real estate principle is critical. The neighborhood you invest in will directly affect your property's value and your quality of life.

- Consider proximity to **work, family, and frequently visited areas**.
- Use **Google Maps** to understand official neighborhood boundaries—real estate listings often use trendy or misleading neighborhood names to boost appeal.
- Pay attention to neighborhood identity, walkability, and reputation.

2. Transportation Access

Access to reliable transportation significantly boosts property desirability.

- Proximity to **public transit** (e.g., subways, express bus stops, train stations) adds convenience and value.
- Evaluate local **traffic patterns**, average commute times, and the presence of **bike lanes** or pedestrian paths.

3. Parking & Street Regulations

In urban areas, especially, parking logistics can impact day-to-day life.

- Are **overnight parking permits** required?
- What are the **alternate side-of-the-street parking rules**? How often do cars need to be moved for street cleaning?
- Is there adequate **visitor parking** or nearby garages?

4. Convenience & Shopping

Assess the accessibility and affordability of daily essentials:

- Proximity to **grocery stores, pharmacies, dry cleaners, and laundromats**.
- Check whether stores offer **delivery services**, especially important for those with mobility concerns or busy schedules.
- Compare the **cost of goods and services** locally.

5. Schools & Education Quality

Even if you don't have children, the quality of the local school system plays a significant role in property value and future resale.

- Review **public and private school options**, along with their **ratings**.
- Focus primarily on **elementary schools**, as young families often drive demand for housing.
- Check the school **zoning boundaries**, as they can impact the resale value.

6. Access to Medical Care

Particularly important for older buyers or rural properties:

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- How far is the **nearest hospital, urgent care, or medical clinic**?
- Consider access to **specialist services**, especially if ongoing care is needed.

7. **Emergency Services**

- How close are the **nearest fire station, fire hydrant, and police precinct**?
- Proximity can impact **response time** and **insurance rates**.

8. **Safety & Local Crime Concerns**

Do due diligence on neighborhood safety:

- Use [FamilyWatchdog.us](https://familywatchdog.us) to check for **registered sex offenders**.
- Search local crime statistics through city or police department websites.
- Walk around at different times of day to gauge real-world **safety and activity**.

9. **Neighborhood Trends & Gentrification**

Gauge where the neighborhood is headed:

- Are **vacant storefronts** being filled, or are businesses closing?
- Are **property values** and **rents rising**?
- Look for signs of **infrastructure improvements**, new construction, or **rezoning proposals**—these can all signal future appreciation or volatility.

If Purchasing in a Cooperative, Condominium, or Homeowners Association

10. **Building Ownership Structure**

- Is the property a **cooperative or condominium**? Understand the legal and financial implications of each.
- In a co-op, you purchase shares; in a condo, you are buying a unit of real property. Each comes with different financing and governance structures.

11. **Conversion History & Sponsor Units**

- Is this property a **conversion** from a rental building?
 - Was it a **non-eviction plan** (tenants allowed to remain)?
 - What **percentage of units remain sponsor-owned**, and are those units rented or vacant?
 - How many sponsor units are sold or transferred per year?
 - Request the **original offering plan** and all amendments, including house rules.

Community Engagement & Governance

12. **Board of Directors**

- Who is the current **Board President**?
- How many board members are there, and how long have they served?
- Are meetings open to all residents?
- When is the **annual meeting** held?

13. Management Company

- Is the building professionally managed?
- Who is the assigned **property manager**, and how often are they on-site?
- How responsive are they to maintenance and owner concerns?

14. Committees or Associations

- Are there active **resident committees** (e.g., garden, social, safety)?
- How involved is the community in the decision-making process?

Property Financials

15. Financial Reporting

- When does the **fiscal year end**?
- When are **audited financial statements** made available to owners?

16. Financing Restrictions for Purchasers

- Does the building impose **limits on financing** (e.g., minimum down payment, maximum loan-to-value)?
- Are there income or debt-to-income (DTI) thresholds?

17. Flip Tax (Transfer Fee)

- Is there a **flip tax** payable by the seller?
 - If so, how is it calculated (as a percentage of the sale price, profit, or a flat fee)?
 - Who receives the fee—building or managing agent?

18. Reserve Fund – Cash on Hand

- What is the current balance in the **reserve fund**?
- How many months of operating expenses does it cover?
- Is it sufficient for **capital improvements** without special assessments?

19. Special Assessments

- Are any **current or upcoming assessments** planned?
- What was the reason for the **most recent assessment**, and how was it structured (installments, discounts for prepayment)?

20. Maintenance/Common Charge Trends

- How much have **monthly charges** increased over the past 3 years?
- Were the increases small and annual or large and sporadic?
- Have they kept pace with increasing expenses?

21. Accounts Receivable

- Has the **AR (money owed by owners)** increased significantly (>15%) in the last year?
- How many owners are delinquent, and what are the reasons?

22. Accounts Payable

- Have the accounts payable (**money owed to vendors**) increased substantially (>15%)?
- Investigate reasons: lack of cash flow, legal disputes, or large ongoing projects?

23. Building Debt

- Does the building carry a **mortgage or other debt**?
 - What is the **total debt**, interest rate, term, and refinance horizon?
 - Can the building comfortably refinance or pay off the loan?
 - Is there a **balloon payment** due that will require the building mortgage to be refinanced? (potentially under less favorable conditions)

Application Process & Community Rules

24. Board Interview & Application

- Is a **board interview** required?
 - Ask for a sample **application package** in advance.
 - Is there a history of rejecting buyers based on their profession, such as those who work **from home**?

25. Subletting Policy

- What is the sublet policy?
 - Is there a limit on the Duration?
 - What are the building Fees?
 - Is board approval or a **subtenant interview** required?

26. Short-Term Rentals (e.g., Airbnb)

- Are **short-term rentals** permitted?
- Who monitors and enforces violations?

27. Guest Policy

- Are **guests allowed to stay** when the owner is absent?
 - Are restrictions based on **relationship** or **length of stay**?
 - Especially relevant in co-ops with tighter rules.

28. Pet Policy

- Are pets allowed?
 - If so, are there restrictions on **size, breed, number, or elevator usage**?

Renovations & Physical Considerations

29. Violations & Litigation

- Check for open **building violations** (use the NYC DOB site).

- Is the building involved in any **litigation** (with residents, contractors, neighbors)? What is the risk or financial exposure?

30. Renovation Guidelines

- What approvals are needed for renovations?
 - Does the board require **architectural review**?
 - What are the **fees and timelines**?
 - Are structural changes allowed?
 - Is “**wet-over-dry**” (e.g., bathroom over living room) permitted?
 - Is soundproofing required for new renovations?
 - Are plumbing or electrical upgrades required for new renovations?

31. Neighboring Buildings & Environmental Impact

- Do adjacent properties pose concerns, such as **noise, parking strain, construction, or unwanted commercial use**?

PROPERTY FEATURES & AMENITIES CHECKLIST

History & Physical Characteristics

32. Property History

- Are there any historical events or associations (e.g., celebrity ownership, notable crimes, famous events) that could impact future resale value?

33. Building Era (Pre-War vs. Post-War)

- Was the property built **pre-1940 (Pre-War)** or after (Post-War)? This distinction can affect architectural character, construction quality, and valuation.

34. Common Area Condition

- What is the condition of lobbies, hallways, and shared spaces?
- Are they superior, comparable, or inferior to the unit itself?
- Are cosmetic or structural upgrades planned?

35. Building Size

- How many **total units** are in the building or complex?
- Consider the scale: boutique (under 10), mid-size, or large-scale (100+).

Staff & Services

36. Door Attendant or Concierge

- Is there a doorperson? What are the **coverage hours**?
- Is there a **virtual door attendant or video concierge** system?

37. Superintendent & Building Staff

- Is there a **live-in super** or on-site handyman?
- How many staff members are employed, and what is their tenure?
- How are **repairs or maintenance issues reported**?

38. Unionized Workforce

- Is the staff unionized?
 - When does the current **union contract** expire?
 - If non-union, are **equivalent benefits or prevailing wages** provided (significant for some tax exemptions)?

Infrastructure & Utilities

39. Elevators

- How many **passenger elevators** are there?
- Is there a **freight elevator**?
- Can stairs be used to access the unit if the elevators are out of service?

40. Laundry Facilities

- Are laundry rooms available? Where are they located?
- What is the cost per load, and is it coin-operated or card-based?
- Are **in-unit washers and dryers allowed** to be installed at the owner's expense?

41. Fitness & Recreation Amenities

- Are there facilities such as a **gym, pool, roof deck, or sports courts**?
- Are there membership or usage fees?
- Are there **age restrictions** (e.g., children must be accompanied)?

42. Mail & Package Handling

- How are **packages and deliveries** handled?
- Is there a secure package room or staff to receive items?

43. Newspaper Delivery

- Can newspapers be delivered directly to your door, or must they be picked up from a common area?

Extra Storage, Parking, & Access

44. Storage Units

- Is there **private storage** (e.g., basement lockers)?
- What is the size, cost, and is there a waiting list?

45. Bike Storage

- Is there a dedicated **bike room**?

MONEY 101 EDUCATION

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- Are e-bikes permitted? Are there limits per unit?

46. Recycling & Waste Disposal

- Is **recycling or composting** mandatory?
- How is waste managed and sorted?
- Are the storage receptacles near the unit causing extra traffic or smells?

47. Parking Facilities

- Is there an **on-site garage or lot**?
- What is the monthly cost?
- Is there a **waiting list** for spaces?

48. Accessibility

- Are entrances **ADA-compliant**?
- Are all common areas (e.g., laundry room, rooftop) accessible to persons with disabilities?

Structure, Systems & Sustainability

49. Façade & Exterior (Metropolitan areas - NYC specifically)

- Is the building over six stories and subject to the **NYC Façade Inspection Safety Program (FISP)**?
- When was the last inspection filed, and what was the result?
- Are any repairs planned?

50. Energy Efficiency

- What is the building's **energy efficiency rating** (e.g., Energy Star, Local Law 97 scores)?
- Are there **solar panels**, green roofs, or other sustainable features?
- What kind of **heating system** is used? Is there a **backup boiler**?

51. Environmental Noise

- Is the building near **major roadways, fire stations, or nightclubs** that may impact noise levels?

Commercial & Community Use

52. Third-Party Use of Building

- Are there **commercial tenants** in the building (e.g., retail stores)?
- Does the building lease space (e.g., rooftop to telecom)?
- Are these units independently owned, or are they generating income for the HOA/condo/coop?

53. Garden or Outdoor Space

- Is there a **shared garden or landscaped area**?
- Who maintains it? Can residents use or garden in it?
- Is there public access?

UNIT SPECIFIC FACTORS

Size, Layout & Flow

54. Unit Square Footage

- What is the total square footage of the unit?
- How many **bedrooms and bathrooms**?
- Calculate and compare the **price per square foot** to other recent sales.

55. Floor Plan & Layout

- Are bedrooms **adjacent** or **separated**?
- Is there an **eat-in kitchen or formal dining area**?
- How convenient is the **flow from the kitchen to the dining room**?
- Is the layout functional for your household's needs?

Bathrooms & Kitchen

56. Shower vs. Bathtub

- Does the unit have at least **one bathtub**?
- Are the showers **walk-in or combined with tubs**?

57. Kitchen & Bathroom Condition

- When were these rooms last **renovated**?
- Are they in **move-in condition**, or will they require updates?
- Are the walls **Sheetrock or plaster**?
- Can modern features (e.g., **sink disposal**) be added?

58. Appliances

- Is there a **dishwasher**? If not, can one be installed?
- Does the building **permit sink disposals**?
- What is the **condition and age** of the existing appliances?

59. Exhaust & Ventilation

- How is **stove exhaust** vented (ducted, recirculating, or not at all)?
- Do **bathrooms** have fans or vents?

Utilities & Systems

60. Electricity

- What is the **amperage rating of the service** to the unit?
- Can the unit support **modern appliances**?
- Can **the electrical service** be upgraded if needed?

61. Gas Supply

- Does the unit use **natural gas** or **electricity** for cooking and heating?
- Is propane permitted?

62. Heating & Cooling

- Is there **central air conditioning**? What are the seasonal dates of operation?
- If not, are **window or through-the-wall units** allowed?
- Are there rules about **installation/removal or noise control** (e.g., sleeves, storage)?

Light, Views & Exposure

63. Sunlight Exposure

- What directions do windows face? (*South-facing gets the most light.*)
- Are kitchens and bathrooms windowed?
- Would you describe the unit as **bright and sunny**?

64. Views

- Is there a **notable view** (skyline, park, river)?
- Could **future construction** obstruct the view?
- Are there **lot-line windows** that may need to be sealed legally?

Interior Features & Storage

65. Flooring

- What is the **flooring material** (wood, tile, carpet)?
- Are there building requirements for **soundproofing** or carpeting percentages?

66. Closets & Storage

- How many **closets** are there?
- Is there a **coat closet** or other practical storage?
- Are any closets **cedar-lined or custom-built**?

67. Ceiling Height

- What is the ceiling height?
- Is there a **dropped ceiling**?
- Can **overhead lighting** be installed?

Safety, Access, and Regulations

68. Accessibility

- Is the unit suitable or modifiable for **disabled access**?
- Are doorways, bathrooms, and flooring accessible to individuals using wheelchairs?

69. Smoke & Carbon Monoxide Detectors

- Are the required detectors installed?

- Are they **hard-wired** or **battery-powered**?

70. Evacuation & Fire Escape

- What is the **evacuation plan** in the event of an emergency?
- Is there a **fire escape, secondary exit, or sprinkler system**?

Pricing & Market Considerations

71. Asking Price

- Is the **asking price** in line with **comparable units** (adjusted for taxes, common charges, and square footage)?

72. Seller Motivation & Timing

- Why is the property being sold?
- How long has it been on the market?
- Have any **prior offers fallen through**, and if so, why?

73. Broker Relationships

- Who is the **Listing Broker**?
- Can you **work directly with the listing agent** to streamline communication?

Condition, Legal, & Compliance

74. Inspections & Violations

- Has a **home inspection report** been conducted?
- Are there any **violations** or unpermitted renovations?
- Is the property sold in **“as-is” condition**?

75. Renovation History

- What updates have been made, and are they **fully documented**?
- Were licensed professionals used, and was **building or board approval** obtained?
- Are there any **open permits** from prior renovations?

Neighbors & Building Culture

76. Neighbor Considerations

- Who lives **above, below, and adjacent** to the unit?
- Is there a history of **noise complaints** or nuisance?
- Do residents **store items** (e.g., strollers, bikes) in hallways?
Tip: Consider introducing yourself to neighbors before signing. Their friendliness-or lack thereof—may affect your long-term comfort.

MARKET TRENDS

77. Market Trend (Buyer's vs. Seller's Market)

- Is the current market **favoring buyers or sellers**?
- Are homes selling **quickly and over asking**, or sitting on the market longer?
- What are the **local absorption rates** (i.e., how fast inventory is selling compared to a year ago)?
- Are there signs the market may shift in the next **12–24 months**? (*Forecasts are never certain, but economic indicators can help guide decisions.*)

78. Inventory & Comparable Units

- Is there **sufficient inventory** in your target category (e.g., 2BR condos, townhomes, etc.) to compare?
- How does this unit compare in terms of **price, square footage, features, and condition**?
- Are comparable sales (comps) showing a **trend of appreciation, stagnation, or decline**?

79. Broader Economic Indicators

- How are **employment, inflation, and wage growth** behaving locally and nationally?
- Are there significant **economic developments** (e.g., new employers, infrastructure investments) expected in the area?

80. Regulatory & Tax Environment

- Are there upcoming **zoning changes, tax reassessments, or rent control laws** that could affect value or rental potential?

COMMERCIAL PROPERTY CONSIDERATIONS

Market & Pricing Analysis

81. Price per Square Foot

- What is the **purchase price per square foot**, and how does it compare to recent sales in the area and similar asset classes?

82. Market Rental Rate

- What is the **average asking rent per square foot** in this market for similar properties?
- Will your space command **premium or discounted rent** based on location, condition, or features?

83. Vacancy & Absorption Rate

- What is the **average vacancy rate** in the submarket and asset class (office, retail, industrial)?
- What is the **average time to lease** a vacant space?

84. Cap Rate & Investment Return

- What is the **Capitalization Rate (Cap Rate)** for comparable properties in the area?

- What is your **expected ROI** (cash-on-cash return, IRR, equity multiple)? Is it aligned with your risk profile?

Building Tenancy & Income

85. Tenant Occupancy & Lease Status

- Is the property **fully leased**, partially leased, or vacant?
- Are tenants on **long-term leases**? Are there **renewal or termination clauses**, rent escalations, or options?

86. Tenant Risk Profile

- Who are the tenants? Are they **creditworthy (national brands)** or **small businesses** with a higher risk of default?
- Have any tenants provided **personal guarantees** or letters of credit?

87. Rent Control or Stabilization

- Are any tenants protected under **rent control, stabilization**, or restrictive lease agreements?

88. Income Composition

- What percentage of the income is from **retail, office, residential, or parking**?
- Are there **anchor tenants**, and is there potential exposure if one tenant vacates?

89. Rent Roll & Cash Flow Projections

- Do current and projected rent rolls reflect **market-rate rents**?
- Does the property generate **positive cash flow** after accounting for operating expenses and debt service?
- If negative, for how long is the situation anticipated to continue, which will determine the **cash reserve required** to carry the property?
- When will the current leases expire? And what is the likelihood of renewal?

Physical Asset & Building Condition (some have been mentioned above)

90. Building Systems & Infrastructure

- Age and condition of **roof, plumbing, electrical, HVAC, and elevators**?
- Are capital improvements needed soon? When was the last inspection?

91. Environmental Risk

- Has an **Environmental Site Assessment (Phase I or II)** been done?
- Is the site at risk for **soil contamination, asbestos, underground storage tanks**, or prior industrial use?
- Was the site ever classified as a **Brownfield Site**? Are any government programs available for remediation?

92. ADA Compliance

- Is the property **fully accessible** in accordance with ADA standards? If not, will retrofitting be required?

93. Zoning & Permitted Use

- Is the current use **compliant with zoning regulations**?
- Are there **opportunities to rezone or expand** permitted uses?

94. Utilities & Technology Infrastructure

- Is the property wired for **fiber optic internet** or modern connectivity?
- Are **smart systems**, security, or automation in place?

95. Sustainability & Efficiency

- Are there **energy-saving upgrades** (LED lighting, solar panels, energy-efficient windows, smart thermostats)?
- Is the building certified (e.g., **LEED**, Energy Star)?

Operational & Site Logistics

96. Property Management

- Is there a **third-party property manager**?
- How and what are the terms of the contract with the current Property Management firm?
- What is the Property Management firm's **reputation**?
- What systems are in place for **maintenance, rent collection, and reporting**?

97. Insurance Requirements

- What types and levels of insurance are required (property, liability, environmental)?
- Are premiums reasonable and reflective of actual risk (flood, seismic, etc.)?

98. Parking & Access

- Is there **adequate parking** for tenants and visitors?
- Are **loading docks, freight elevators, or delivery access** suitable for business tenants?

99. Security

- Does the property have **security systems, cameras, gated access, or patrols**?

Legal, Financial & Strategic

100. Leasehold Improvements & Incentives

- What tenant improvement concessions have been made?
- Will new tenants require additional improvements?

101. Financial Documentation & Disclosures

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- Will the seller provide **detailed financial statements** (P&L, rent roll, tax returns, and Common Area Maintenance (CAM) reconciliations)?
- Are there **unusual expenses, lawsuits, or liens**?

102. Depreciation & Tax Treatment

- What are the **depreciable assets**?
- Will you be able to use a tax loss, created through the depreciation expense, to offset other income?

103. Property Taxes

- What is the current **property tax liability**?
- Are reassessments likely post-purchase?

104. Exit Strategy

- What is the **likely exit timeline** (e.g., 5–10 years)?
- Will the property **appreciate or generate sufficient cash flow** to justify resale or refinance?
- Is there **demand for similar assets** in this submarket?

And then there are....

PERSONAL CIRCUMSTANCES

Financial Cushion & Risk Preparedness

105. Financing & Interest Rates

- Will you **qualify for a mortgage** with your current credit and income?
- Are you **reliant on a partner or spouse** to qualify? If yes, could you afford the property on your own?
- Do you have the 20% down payment in cash to qualify for a traditional mortgage and avoid Private Mortgage Insurance?
- How do current rates affect the **total cost of ownership and return on investment**?
- Does it make sense to **lock in now**, or wait for potentially **more favorable lending conditions**?

106. Do you have the financial resilience to manage unexpected events?

- Can you **cover mortgage, taxes, HOA/maintenance fees, and utilities** for several months in the event of job loss or an emergency?
- Have you budgeted for **unexpected repairs, assessments, or insurance gaps**?
- Is there a **secondary source of income or liquid assets** you can draw upon if needed?

107. Will the investment provide diversification and a superior return to alternatives?

- Have you factored into your investment calculation the **lost opportunity cost** of having your down payment tied up in the property?
- Will the investment **diversify** your holdings?
- Will the investment **prove superior** to an investment in the financial markets? (stocks & bonds)

Future Lifestyle Needs, including Changes in Employment

108. Will this property meet your personal, professional, and family needs for the next 5–7 years?

- Consider life changes, such as **marriage, having children, caring for pets, aging parents**, or lifestyle shifts.
- Is there **flexibility** to adapt the space as your needs evolve (e.g., work-from-home office, extra bedroom, accessible features)?

109. What is the likelihood that you will need to relocate for work or career advancement?

- Are you in a **field or company prone to relocation or restructuring**?
- If relocation becomes necessary, is the property **easy to rent or resell**?
- Will owning this property **limit career flexibility**?

AND FINALLY

110. Do you love the property enough to make your heart go pitter-patter and overcome the challenges that will come with property ownership?