

DEALING WITH NEIGHBORS

SAMPLE CONDOMINIUM AGREEMENT

In a condominium or cooperative building, your neighbors are also fellow members of your condominium association. Unlike neighbors in single-family homes, neighbors in your condo often have the legal authority to limit how you use your unit. For example, you may be prohibited from establishing a home-based business in your apartment without the prior consent of the board of directors. Similarly, it is perfectly legal for members of a condominium association to agree that no owner will sell his or her unit without giving notice to the association and the opportunity to other members to purchase the unit. Following is a sample agreement addressing this issue; its provisions may be limited by laws in your state, so check with your attorney when drafting such an agreement.

AGREEMENT

Unit Owner _____ (“Owner”) hereby agrees to be bound by the following provisions regarding the sale or lease of _____ [address including unit number] (“the Unit”) in _____ - [name of condominium] (“the Building”):

When Unit Owner decides to sell or lease the Unit, Unit Owner will provide the Building Association with no less than _____ days’ notice.

When Unit Owner obtains an outside offer for sale or lease of the Unit, Unit Owner will provide the Building Association and every other unit owner in the Building with notice of such offer, including the name, address and telephone number of the prospective buyer, the terms and conditions of the proposed sale or lease, and such other information as the Building Association requires.

Upon receipt of any such outside offer, the Owner agrees to offer to sell or lease the Unit to any other owner of a unit in the Building or the Building Association itself, on the same terms and conditions as those of the proposed sale or lease.

Within _____ days of such notice to the Building Association and every other unit owner in the Building, the Building Association and all unit owners will decide whether to purchase the Unit and will notify the Unit Owner of the same. The Building Association shall have the right of first refusal of the terms and conditions for purchase or lease of the Unit. If the Building Association does not wish to

purchase or rent the Unit, each of the Building's unit owners shall have the right of refusal to purchase or rent the unit on the same terms and conditions as the outside offer, in order of the length of time each has been a member of the Building.

If, after _____ days, neither the Building Association nor any other unit owner in the Building notifies Unit Owner of the desire to purchase or rent the unit, the Unit Owner will be free to sell or lease the Unit to any outside purchaser or tenant on the same terms and conditions of the original offer, provided that the outside purchaser or tenant agrees to comply with all other rules and regulations of the Building as set forth in the By-Laws of _____ [date of By-Laws].

If the Unit Owner fails to comply with the terms of this Agreement governing sale or lease of the Unit set forth herein, the transaction in violation of this Agreement is voidable upon action of a majority of the members of the Building Association.

Dated: _____

[name of Unit Owner]

[name of Building Association representative]