

Nathanson, Cipriano & Gambardella, P.C.
Attorneys at law
PHONE 203 288 1333
FAX 203 287 0048
Main Office
60 Washington Ave.
Hamden, Connecticut 06518

NEWSLETTER FOR REALTORS

The Tip presented in this **Newsletter** focuses on how Special Condominium Assessments are treated in the standard New Haven Board Contract for the sale of a condominium unit.

You would normally assume that Special Assessments are handled just like ordinary Common Charges, i.e., they are adjusted between Seller and Buyer like taxes or rent. For example, if Common Charges are \$300.00 per month and the closing occurs on January 20th, the Seller would get a 10-day adjustment of \$100.00 if the Common Charges were paid for the entire month of January.

If you made the same assumption for Condominium Special Assessments, you would be wrong!

Since the Standard New Haven Board Contract incorporates the local New Haven County Bar customs, you must refer to those written customs which state clearly that if all or a part of a Special condominium Assessment is due prior to the contract closing date, then the Seller must pay the entire Assessment at closing without adjustment!!

For example, an association passes a Special Assessment in July 2015 in the amount of \$2,000.00 for roof repairs with \$1,000.00 due in August 2015 and \$1,000.00 due in February 2016. You sign a contract of sale for a closing to occur on January 20, 2016. The Seller must pay at the closing the entire \$1,000.00 installment due in February 2016 without adjustment!

HOWEVER, YOU ARE NOT PREVENTED FROM ALTERING THE OUTCOME OF THIS EXPENSE TO THE SELLER. YOU CAN ALWAYS INSERT A CLAUSE IN THE CONTRACT STATING THAT THE BUYER WILL ASSUME THE BALANCE OF A SPECIAL ASSESSMENT. THUS THE ISSUE OF A SPECIAL ASSESSMENT BECOMES A SUBJECT FOR NEGOTIATION BETWEEN A LISTING AGENT AND A SELLING AGENT.