



Friday, December 7, 2007

## Condo fees, other costs go sky-high

Austin Business Journal – by [A.J. Mistretta](#) ABJ Staff

Prospective buyers of downtown condos who think they may just be able to afford the mortgage on that loft high in the sky might need to think again.

With most downtown Austin condo units priced at more than \$300,000, it's no secret that owning a slice of the urban dream isn't cheap. But what some would-be buyers may not immediately realize is how high the ancillary costs can climb. Between insurance, property taxes and homeowners association fees, most owners will face monthly expenses well over \$1,000 in addition to their mortgage.

HOA fees among completed and future projects vary widely, from 32 cents a square foot at Milago to 64 cents a square foot at The Austonian. The HOA fees cover everything from insurance on the overall building to the upkeep of the common areas. At higher-end properties, the fees also often include amenities such as round-the-clock concierge service. A survey of HOA fees across 11 downtown projects shows that the average is 42 cents a square foot. For a 1,000-square-foot condo, that translates to \$420 a month. But the average unit at the Four Seasons Residences, for instance, would have HOA fees of \$1,147, or 62 cents a square foot.

Unit owners will pay property taxes just as they would for a home. At the current tax rate, the owner of a \$300,000 condo would pay \$6,459 a year, while the owner of a \$500,000 unit would pay \$10,750 a year. Broken down, that would mean monthly costs of \$538 and \$895, respectively.

**Courtesy of JB Goodwin**