

Proper research is crucial before buying into gated estate

Prospective buyers must do their homework thoroughly before they buy into secure gated estate. If they don't, their lifestyle dream could turn out to be a nightmare. That is the advice to first-time estate buyers from Jeff Gilmour, president of the Association of Residential Communities (ARC).



"Homes in lifestyle estates generally come with price premiums that average 30% compared with like-on-like properties on the outside. Therefore, mistakes can be that much more costly if you fail to carry out fundamental research on the estate itself before closing the deal on your home purchase," says Gilmour.

Checklist for a gated estate

His checklist for investing in a gated estate begins with the Home Owners' Association (HOA):

- Run through the financials of the HOA. Ensure that it is financially sound, holds adequate reserves, and is compliant with its fiduciary responsibility and articles of association.
- Establish what levy increases there have been over the past three years, and what the policy is going forward.
- Be aware of the estate's rules, regulations and architectural guidelines.
- Verify that the HOA is well run and applying best practice in the management of the estate.
- Confirm that the HOA is constantly updating and enhancing implementation models in line with the estate's strategic plan.
- Make sure that the all-important social aspects of living on the estate form part of the HOA agenda. These include the clubhouse, walking trails, play parks and sporting facilities.

Well maintained roads

Furthermore, Gilmour recommends a walk or drive around the entire estate to ensure that it is in good shape. Start with the main gate, which should be well organised and manned by helpful uniformed guards. Clean and well maintained roads, walkways and pavements will confirm that an efficient maintenance plan is in place. There should also be consistency of architecture and design across the entire estate. Homes that are half built, or inconsistent with the overall guidelines, should be seen as a warning flag.

"Above all, look closely at the security system - including the electric fence, surveillance cameras, presence of security vehicles, roving patrols and proactive policing. A recent countrywide ARC survey showed that security is the biggest single factor that motivates investment in gated residential estates," he adds.

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