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# Finding the best fit when looking for a home

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Do you expect a fast rise in the value of your first home? Do you like to commute more than an hour each way? Are you a handyman who likes repairing old roofs?

These and many other questions should be answered when deciding which kind of property a first-home buyer is going to acquire. Maybe you are the typical first-home buyer, who stays between three and five years in the house. Maybe your horizon is much longer.

Basically, there are three options: condominiums, townhouses and single-family houses. Each one has its pros and its cons.

Most buyers go for a condo or a townhouse when buying the first home. In general, these properties are more affordable than single-family houses. Apart from that, two main factors influence the price of any property: location and condition.

In the north and west suburbs of Chicago, location influences the price in a quite obvious way: the nearer to the city, the more expensive the property.

The same quality and kind of house is usually cheaper in Elgin than in most of the northwest suburbs such as Schaumburg or Hoffman Estates, said Bruce Wascher, agent of Remax in Elgin.

The proximity to a train or a town also counts. Closer, prices are slightly higher, something that changed from 30 years ago.

According to Premier Living Properties realtor Tamara O'Connor, first-time home buyers in the areas of Elgin, Dundee, Carpentersville and Bartlett usually buy properties in the range of $150,000 to $180,000, with no big differences among condos, townhouses and single-family houses. There are cheaper homes, but they are often from the 1960s and 1970s, which need extra expense for updating.

In South Elgin, the cheapest condo, a two-bedroom built in the 1970s with one bathroom, without garage, is $119,900. For $198,900 you'll have three-bedrooms, two bathrooms and a two-car garage, built in 2001.

In Dundee, a little more expensive area with fewer offerings, the best price for a two-bedroom condo with one bathroom is $130,000, built in the 1970s. Again, if you want a newer townhouse, from 1999, you will have to pay $200,000 for a two-bedroom with two baths and a two-car garage.

O'Connor sold 149 properties in 2004 at an average price of $219,000. The sales to first-home buyers, 25 percent of the total, averaged $160,000.

In Elk Grove Village, closer to Chicago, the average price paid for a first home is around $200,000, almost always for condos and townhouses, said Century21 realtor Gino Ucci, who said that location is key for first-home buyers: "They buy the area first." Some years later, they often move not far to a house, whose prices now go from $250,000 to $600,000.

"Condominium" refers to a type of ownership in which owners hold title not only to the space they occupy, but to the common areas such as elevators, parking lots, driveways and playgrounds. These areas are maintained by monthly fees, another expense added to the monthly mortgage payment. Usually, the monthly fees run around $150, which does not include utilities.

Although older condos are more affordable --in Palatine there is a one-bedroom on sale for $99,300 and there are cheaper ones in McHenry County--, new construction usually increases in value more rapidly, and little maintenance is required. In any case, it is useful to check the reserves the building management company has for future upkeep. If they're low, there could be future special assessments.

Also, when purchasing a condo, it is important to check the rules of the association that governs the building. Some have strict rules that go from not allowing pets over 50 pounds to a prohibition on renting the property.

A new condo in DuPage County built in the last 10 years costs no less than $200,000, according to Linda Price, broker of Remax in Naperville.

"DuPage County is extremely expensive," she added. "Kane, Will and Kendall counties are catching up rapidly because all the growth is going these directions, and when you have growth, the prices escalate."

Still, the lowest price in DuPage County for a one-bedroom condo with a bathroom is around $100,000. Built more than 25 years ago, of course. And typically, first-time home buyers don't have additional resources for repairs, but they're likely in any older home.

"Newer complexes are going to have pools and tennis courts. So the monthly assessments associated with condos and townhouses are going to be higher," she said.

Other factors should be checked. In large condominiums it is important to know the "owner occupancy," the percentage of owners who live in the building.

"Some associations would not give mortgages to properties with more than 30 percent renters," Price said. "Because you're putting all this money in a property that can be devalued as renters don't take care of the homes as owners".

A townhouse is often another kind of condominium in which units of two or more stories have common walls. Each house has its outside ground space, but there are also common spaces and facilities. In DuPage County, townhouses are priced over $200,000, even the old ones, and are usually purchased by two-income couples, said Price, who has worked in the area 17 years.

Tamara Kirby, 25, and her husband, 24, expect to find a townhouse in DuPage or Cook counties between $130,000 and $160,000, because they think it will increase its value faster than a condo. They know that in this price range it is not easy. "We are not in a rush to buy. So if we don't find anything, we will wait," she said.

Acquiring a single family home is usually the most expensive option for a first home buyer. It is difficult to find something below $200,000, although in Lake and McHenry counties prices are more affordable.

In Cary, Crystal Lake and Lake in the Hills you can find houses and condos between $100,000 and $150,000, according to realtor Diane Walter, who works in Cary for Coldwell Banker. She said that in all these areas --and even farther out, such as Woodstock, where there are seven-year-old small condos for $80,000-- many people commute to Chicago easily on the train.

The south of Lake County --Barrington, Lake Zurich and Buffalo Grove-- is a little bit more expensive. In these areas you will barely find any kind of property below $150,000.

Carrie Morton, 27, is looking for a house in the western suburbs. "We had enough for six years renting a duplex. We want a yard," she said. Her price range is $200,000 to $250,000, higher than the average first-home buyer.

"It's very rare to find somebody than can afford more than $200,000," Price said.

In Naperville, the average sale price of a single-family is $345,000, "because you have the $4 million houses and the $200,000 ones, which usually need a lot of work," she said.

This last option is the one chosen by James Stanek, 25, and Angela D'Ambrosio, 24. They are looking for a single-family house in DuPage County between $150,000 and $200,000. "It's tough. We have been looking. Still hoping," she said. But they are not afraid of doing work on the house, Stanek said.

When buying a home, it's advisable to have a professional inspector check it out. "No house is perfect, not even the new ones," Price said.

According to **Hy Naiditch, president of the Illinois Chapter of the National Association of Home Inspectors, and President of ACCUspect Home Inspections**, the most common problems are similar for condominiums and any kind of house, "except for the roofs and the termites," which are unusual in condos.

On most inspections, from 35 to 50 items are found that need a repair. Among the most frequent are electrical safety issues in the panel and the wiring, water seepage into the basement, deterioration of the shower walls and behind the tile, structural issues due to improper construction, reduced water pressure, fire safety problems such as stored items in a furnace room, cord wiring, improper dryer venting and a dirty chimney, and issues in heating and air conditioning systems.