

CONDOMINIUM VS. TOWNHOUSE

A townhouse is an attached unit where living area is on multi-floors and a condominium is an attached unit where living area is on one floor, right? Only part right.

Most people know that the term townhouse refers to a style of living unit characterized by a series of dwellings built along a straight line, with common sidewalls. The dwellings consist of 2 or more levels of living area(not including basement) and are usually attached or semi-detached(end unit) to other like units.

On the contrary, however, most people have a misunderstanding of what the term condominium actually refers to. For some reason, people think that condominium refers to a particular design of an attached dwelling unit where living area is all on the same level. Contrary to a townhouse where the attached units have more than one level. However, this is by no means true. You see the term condominium actually has nothing to do with style, design, or anything regarding how many levels a unit has. A condominium is a form of ownership. It is a form of ownership, which involves a separation of property into individual ownership elements and common elements. Each owner holds the fee simple interest to his or her individual unit, and also shares in a percentage of the fee to the common areas. So there you have it. A condominium is an ownership type not a style.

Builders are guilty of misusing the terms condominium and townhouse too. Many times you will see them advertise new condominiums(referring to units on one-level) and townhouses, units with multi-levels.

So what do you call attached units with one level of living area? They are simply called flats or garden units because they are very similar to garden apartments. So instead of builders advertising new condominiums and townhouses, they should be calling them garden units and townhouses.

Although rare, condominium owned properties do not have to be units that are attached to one another. They can actually be detached homes. The La Mer development in Sayreville has a section of detached condominiums.

Regarding townhouses, their ownership can either be condominium or fee simple. Fee Simple is the most complete degree of ownership. Although the La Mer development as noted above are detached condominium owned homes, most detached homes in NJ are of fee simple ownership. Fee simple homes can be one or more stories and they typically have their own lots, which the owner is usually responsible for maintaining. In other words, you most likely have to mow your own lawn.

PUD

Now how about the term PUD that you may sometimes hear about. The word PUD is an acronym for Planned Unit Development, which is a zoning alternative not a type of house. A PUD can have homes of condominium or fee simple forms of ownership. A PUD can consist of single-family detached residences, townhouses, and multi-family buildings, commercial, and even industrial properties. A PUD allows the grouping of housing units on lots smaller than usually allowed for residential construction.