

## **What is the process of getting a resale, refinance or transfer certificate and why are there fees?**

When AMS receives a request for a resale certificate, it contains request for information, like the bulleted items above, which must be verified and documented. Each department involved, will access the properties physical and computer files to review the properties records, documents, notices, payments and all communications associated with the property.

In addition to Resale Certificate fees (new properties or change of owners), there are also transfer fees (change of owners) and refinance fees. (No ownership change). “The refinance fee is an administrative fee paid to AMS each time a mortgage company requires that we provide them information on the property including any violations, any assessments owed and/or general information about the association.

This is not a service that the association fees cover in our contract. It’s outside the contract and part of fees we charge separately, which are disclosed in the management contract with the association. This fee is not new or unique, in fact it is an industry standard. Any time we are asked to respond concerning a closing we are required to do the same work whether it is a refinance or an initial set up purchase.”

Mortgage and Title companies may also request a resale certificate to be provided when refinancing an existing property. The process for reviewing and issuing a refinance certificate is the same process as issuing a resale certificate, even though there is no change of ownership, the same information must be researched and provided.

The costs of the resale/refinance certificate is per association the property is a member of and set by each HOA. Many properties are members of more than one association and the process must be done for each association. The fees are paid directly to the HOA. Contact your HOA manager for the specific cost of a resale/refinance certificate for your community.

All states need a Resale Disclosure Certificate that includes the information unique to community associations. Failure to advise a buyer of significant information creates unnecessary hardship on the buyer and potential liability for the seller, Board, association and real estate agent. On the other hand, a properly informed buyer is more likely to be a supportive member of the board and community. Make sure you request or your realtor requests a resale certificate before you buy.