

## Resale Certificate . . . It's as easy as 1,2,3!

The attached Resale Certificate is now required on the sale of virtually every condominium in Vermont thanks to a new state law that went into effect on January 1, 1999. At first glance the form looks a bit overwhelming but it really is only 8 questions/statements together with the attachment of condo docs. Here is a step-by-step explanation of the 8 points, some points you may want to have an attorney review the first time. After that this form will be a breeze.

1. In most cases simply put N/A. Some developers maintain control over the project by maintaining first right of refusal when offered for sale, most declarations give the developer a limited period of time from original construction to buy the condo back.
2. Quite simply just indicate the current association fee per month. The second line refers to the amount the current owner still owes the association for both the regular assessment and any special assessments.
3. This can include fees such as pool privileges or perhaps pool keys.
4. How much does the association have for future capital improvements such as roofs or new siding? And then you must state what the money is slated for be used for. If the money isn't allocated for anything specific, state that it isn't designated for anything specific.
5. Are there any court ordered judgements that the association hasn't paid yet? If the association is currently before any court in a lawsuit specify the nature and status of the suit.
6. This one is a bit tricky in that the representatives of the association may not be aware of what modifications the individual owner may have made to his or her unit. You simply have to state any known violations. If the sprinkler system doesn't work properly, this is where you would state such a code violation.
7. I only know of one condominium project in Chittenden County that has a leasehold estate. If your project is on leased land or has some other unusual lease arrangement, this is where you must state it.
8. Some condominiums in the area have restrictions on how much "profit" a seller can make on the sale of their condo, such as *The Burlington Land Trust*. Also some declarations state that in the event of fire the board may decide not to rebuild the effected building. If the declaration for your association has any such restrictions you must state them here.

Last but not least you must attach all of the most recent documents as listed. Note that you must provide a balance sheet that indicates the strength of the association with an itemized income and expense statement. And you must provide a current fiscal year operating budget.

*This form may be signed by any agent authorized to act in the associations behalf, this could be any officer who has the signing authority or it could be the management company who would sign such as Twin Oaks Association by \_\_\_\_\_ as representative of \_\_\_\_\_ Management Company.*

**By Bill Desautels, The Condo Guy  
(802) 655-9100**