

[Letter to DORA \(Department of Regulatory Agencies\)](#)
[Concerning the HOA Community Association Manager \(CAM\)](#)
[Licensing Program](#)

We received the below inquiry from a home owner who sold their home in an HOA and is moving across country. The email was sent to DORA for comment and to all legislators. The employer will reimburse the home owner for all costs related to the sale of the home and moving. The home owner is required to provide receipts/invoices for all claimed reimbursements. The home owner paid over \$400 in home sale Transfer Fees and requested the property management company to provide an invoice to support his claim for reimbursement but was refused and is now stuck with \$400 of rejected expenses due to lack of documentation. We are asking DORA to comment on this situation as we feel it is a violation of Community Association Manager (CAM) licensing that requires full and open disclosure of fees and all business practices to be in compliance with generally accepted accounting principles (in this case no audit or paper trail exists for these fees for either the consumer or CAM). We await their response and our email to them is below. **CHANGES TO THE CAM LICENSING LAW ARE NEEDED TO PROTECT HOME OWNERS.**

[Email to DORA](#)

[Based on the accounting standards and principles that guide the financial practices of a Community Association Manager \(CAM\) under the licensing law \(rules\) please provide your opinion on the following:](#)

[A home owner sold their home in the HOA. The property management company \(CAM\) collected a \\$275 HOA home sale Transfer Fee from the home owner and collected \\$150 from the Title Company \(which was paid for by the home owner\)related to closing on the home. The home owner is being transferred across country and his company is reimbursing the home owner for all costs strictly related to the sale of the home plus moving expenses.](#)

[The home owner was unaware of these fees until the moment of home closing and if not paid couldn't sell his home. The home seller must present his company with receipts for all home sale and moving expenses to be reimbursed. All such reimbursement requests must be clearly supported by a detailed invoice to ensure the request is strictly related to and only occur in relation to the sale of the home. This ensures that the home owner is not submitting requests for reimbursements that duplicate one another, represent any ordinary expenses related to living in the HOA paid for with HOA dues, are empty claims unsupported by work performed or just outright bogus, etc.](#)

The invoices are also critical to the company so they can have a paper trail and justification for paying the home owner and to support all disbursements and postings to company records with documentation.

The CAM refused to provide documentation (invoice) to the home owner detailing the justification and work performed to earn the HOA Transfer Fee and the Title company transfer fee (both paid for by the home owner). The CAM indicates to the home owner that there is no requirement to provide any explanation of work performed to earn the fee let alone an invoice and such undocumented billings to home sellers are an acceptable business practice under CAM licensing.

The company rejected reimbursement to the home seller indicating their accounting practices require all requests for reimbursements be accompanied by detailed documentation and that a few words on home closing statements were inadequate for documentation and explanation and could represent anything. The company further indicated documentation was needed to ensure reimbursements were of reasonable costs (not inflated); that the claim could be identified as expenses related to and unique to home selling and moving; to ensure the claim was not optional but required in the home sale process; that the claim is not some type of equity payment back to the HOA that would not be reimbursed; didn't represent payment to the HOA for some type of damages assessed by the HOA for violations; didn't represent payment for lost equipment or security keys; didn't represent ordinary expenses of the home seller that would occur as a regular resident vs only charges when selling, didn't represent unpaid HOA dues, etc. The company wanted the same documentation and explanation for the fees paid to the Title Company that explained what the charges represented and to ensure what was paid for in the Transfer Fee was not the same as paid to the Title Company. The y further explained the term HOA Transfer Fee is interpreted and used differently among those involved in real estate sales , HOAs, developers, and Title Companies thus the need for documentation to support payment of the fee is critical. The Transfer Fee line entry on home closing documents could represent many line entries on an invoice some of which would be reimbursed others not. Transfer Fees could represent fees related to title transfer that a developer retains, etc.

The home owner can't support the payments (claim for reimbursement) made to the CAM or Title Company without proper documentation (invoice) and thus will not get reimbursed for over \$400 in fees paid . ALL expenses submitted for reimbursement such as to a moving company, hotel and per diem expenses, etc. are easily documented EXCEPT for the \$400 in Transfer Fees. CAM licensing rules indicate CAMs should comply with GAAP that support accountability, audit trails, and documented billing and collection practices.

Your comments are requested. Do you endorse this practice that has this home seller unable to claim the explained expenses?