

Estoppel Letter

What is an Estoppel Letter & how can I get one?

An estoppel letter is an Official Certification of a property owner or homeowner's financial obligations to the association. Typically, they are monthly maintenance fees, special assessments, fines, etc.

The Villages of Lakes St Charles Homeowners Association (VLSC) is a Deed Restricted community as established and registered with the State of Florida by the Property Developer. The Developer transferred the enforcement of the Deed Restrictions, Rules and Restrictions, and By-Laws to VLSC, which is now responsible for implementation and enforcement.

In the case of VLSC, a property owners financial obligations may include any dues, fines and/or penalties that have been assessed against the property as a result of the Annual Assessment, Architectural Control Committee review fees, any Rules and Restrictions infractions that may have resulted in fines and/or penalties, or any VLSC attorney legal(current or pending) fees. Additionally, it is verification that VLSC is not in the process of assigning a Lien or does not already have a Lien placed against the property.

Estoppel Letter Use:

The normal use of an HOA estoppel letter is when a bank, mortgage company, lending institution or title company is considering financing a property purchase and needs to know how much money the current owner owes to the association.

Benefits:

- Since the Estoppel Letter shows fees, charges, etc., the bank can learn if a seller has attempted to make any unauthorized changes to the residence, such as remodeling. It will also detail any outstanding charges to the homeowner.
- For the buyer, the estoppel letter is a "snapshot" of what is owed on a certain date, so this prevents any confusion about homeowner association fees that could arise after the closing.
- An estoppel certificate will contain information with respect to the common expenses and obligations that the current owner is responsible for. Other vital information included is:

Fees and Costs:

The HOA may charge a "reasonable fee" to issue estoppel letters. A fee of up to \$250.00 has been approved by the Florida legislature. The Villages of Lake St. Charles HOA charges \$150.00 to process an estoppel letter, which also includes the Internal Revenue Service, Form W-9. This fee must be paid at the time of the request.

To ensure a clean transfer of ownership when purchasing a residence or property, purchasers or escrow/title agents should acquire and review an up-to-date HOA Estoppel Letter also known as 'Estoppel Certificate' from the Homeowners Association before closing. It appears that, in the resale market, the estoppel certificate is as important or equivalent to the disclosure statement required in the sale of new homes.

For more information contact:

Arcis Realty, LLC

Phone: **(813) 805-2110**

E-mail: vlsc@arcisinc.com

To request an estoppel letter, send your Estoppel Form and a check for \$150.00 to:

Villages of Lake St. Charles HOA

2908 Bay to Bay Blvd., Suite 200

Tampa, FL 33629

Make the check payable to "Arcis Realty, LLC"

Please include all of the pertinent information concerning the property and the owner on your estoppel form letter.

At a minimum, please include:

- Point-of-Contact
- Seller's Name
- Phone number
- Property Address
- Parcel ID Number
- A valid email address to send the information back to

If this is an urgent request and is needed within one (1) business day of receipt, please include an additional \$50 Rush Processing Fee. Otherwise, the standard turn-around time is seven (7) business days. In addition, it is highly recommended that prior to sending a request, that it is confirmed whether or not the homeowner has been referred to the collection's attorney. In the event that they have, additional fees or a longer turn-around time may apply.