

Full Disclosure is a One-liner in New State HOA Law

View your COMCAST, Xcel Energy, VISA/MasterCard, auto repair, or other bill and you get a detailed invoice. It indicates what you bought, individual charges, usage, labor and parts, and other charges. If you view your home sale closing documents and notice a charge (generally ranging from \$150 - 1,100+) labeled "HOA Transfer Fees" you have viewed all that you are going to get for detail: no receipt, justification, or explanation or who is charging or receiving the money. This practice of non-disclosure of fees, enabled by the Realtors, mortgage companies, and the property management industry was supposed to be addressed and corrected by DORA (Dept of Regulatory Agencies) in the new property manager (PM) licensing law, HB 13-1277.

The fee is known to be excessive, not justified by work performed, already paid for with the home owner's HOA dues, incorrectly presented on closing documents as a required/legal charge from the HOA a fee benefiting and pocketed by the HOA, and is even assessed in non-compliance with the law (SB 11-234). If any fee deserves clean-up from our "consumer protection" agency it is this one.

[New Mexico has recently caught on to this abusive fee](#) and passed legislation to cap the fee and require justification by work performed.

DORA has rendered its' final decision on full disclosure of the HOA Transfer Fee in its' rules making in property manager licensing program: a one-liner buried in the PM contract with the HOA or on the home sale closing document is adequate. No receipt, details, explanation, or justification required. Without any requirements for disclosure or justification there is no basis for challenging the fee (unless one wants to go to court and hold up the home sale). Home owners will pay the fee or the home sale is blocked. Thus the status quo is preserved through DORA's "full disclosure" and home owners will continue to pay millions each year in this highly improper fee.

The mission statement of DORA: Consumer protection is our mission. (and they represent whom?)
