



March 25, 2026
The Honorable Jacob Bissaillon, Chair
Senate Committee on Housing & Municipal Government
82 Smith Street
Providence, Rhode Island 02903

RE: S2702- AN ACT RELATING TO AN ACT RELATING TO PROPERTY -- CONDOMINIUM LAW

Dear Chairperson Solomon and Committee Members:

On behalf of the Rhode Island Association of REALTORS® (RIAR), we respectfully submit this testimony in support of S2702. RIAR represents more than 5,900 licensed real estate professionals who list, sell, lease, manage, and appraise residential and commercial real estate to make Rhode Island a better place to call home.

Existing condominium laws tip the balance significantly in favor of condominium buyers by allowing them to void the purchase and sales agreement for any reason, even until moments before the closing, and have their full deposit refunded. RIAR supports S2702 because it balances the needs of sellers and buyers of condominiums by making it easier for sellers to provide a resale certificate earlier in the transaction.

Challenge

R.I.G.L. § 34-36.1-4.09 requires the seller of a resale condominium unit to provide a buyer with a copy of a resale certificate prior to closing. The resale certificate, which is a compilation of documents, such as the budget, balance, and description of the association's master insurance policy, provides important information to help buyers make an informed decision about the financial stability of the condominium association. The unit owner obtains the resale certificate from the condominium association.

The law allows condominium buyers to void the purchase and sales agreement anytime during the transaction prior to receiving the resale certificate or within five days after receipt of the certificate or until closing, whichever comes first. The buyer is not required to provide the seller with a reason, nor is the reason required to be related to any portion of the resale certificate. Practically speaking, this allows buyers to walk away from a transaction for any reason whatsoever, including simply having cold feet for reasons unrelated to the contents of the resale certificates and have their full deposit refunded.

Instead of providing the resale certificate at the start of the transaction when buyers are likely to be conducting inspections and other due diligence, most sellers wait until shortly before the closing to provide the resale certificate for two reasons: (1) the buyer's lender requires the certificate to be dated in the same month as the closing and (2) the seller does not want to pay the condominium association twice for the same document.

Other states, such as Massachusetts, simply require a statement that the seller does not owe the association any money. Other documents may be requested by the buyer's lender as part of the loan approval process.

Solution

The intent of S2702 is to make it simpler for sellers to provide a resale certificate earlier in the transaction by reducing the cost of providing a second resale certificate to \$25. This would encourage sellers of condominium to provide buyers with important information earlier in the transaction than meeting the needs of the buyers' lender by providing a follow up certificate dated in the same month as the closing.

Conclusion

S2702 would balance the needs of condominium buyers and sellers to make the transaction fairer for all. For these reasons, the Rhode Island Association of REALTORS® respectfully urges the Committee to vote to move passage of S2702.

Thank you for your time and consideration.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Trevor J. Chasse". The signature is fluid and cursive, with a long horizontal stroke at the beginning.

Trevor J. Chasse
Director, Government Affairs
Rhode Island Association of REALTORS®