

# Full Payment Certificate (FPC) and Utility Billing Relief (UBR) Property Transfer FAQ

## Full Payment Certificate (FPC)

### ❖ What is an FPC?

A Full Payment Certificate (“FPC”) is a certificate issued by the Department of Finance indicating that all water and sewer charges and penalties that accrued to a water account are paid in full or otherwise not transferable to the subsequent owner. The FPC application serves as a request to the Department of Finance to transfer service out of the transferor’s name and into the transferee’s name. Without an FPC, the parties will not be able to obtain the City of Chicago Real Property Transfer Tax stamps required to record the property deed with the Cook County Recorder of Deeds.

Unless otherwise provided by law or rule, an FPC is required in all transfers of real property whether such transfers are subject to or exempt from the City of Chicago Real Property Transfer Tax.

### ❖ How do I obtain an FPC?

To obtain a Full Payment Certificate, an FPC application must be completed in its entirety. However, if the property is exempt from the Real Property Transfer Tax, the FPC application fee shall not be charged if marked appropriately on the application. If an FPC certificate was required and such certificate was not obtained when the real property was transferred, both the transferor and the transferee will be jointly and severally liable for any outstanding water or sewer charges and penalties that have accrued to the water account.

To obtain an FPC application:

- Go to [Full Payment Certificate \(chicago.gov\)](https://www.chicago.gov)
- Starting November 13, 2023, please visit Utility Billing and Customer Service at City Hall, 121 N. La Salle St., Room 107

Applications must be completed in their entirety, including any required supporting documents. Incomplete applications will not be accepted for processing.

### ❖ What are the requirements to submit an FPC application?

The FPC must be fully completed before it can be processed. Since it is often obtained by the seller (in many cases, often the seller's attorney) it is imperative that the seller obtains all the required information, including correct billing information for the buyer and all Property Index Numbers (P.I.N.). Only four P.I.N.s per application are permitted. All applications must be accompanied by one of the following as proof of the transaction requested in order to be considered complete:

- Copy of the signed and notarized deed for the current transaction (required for transfers exempt from the Real Property Transfer Tax)
- Title Commitment Schedule A listing the buyer and seller
- Signed Sales contract listing both buyer and the seller (Owner of Record or OOR is not acceptable)

If the property transfer is exempt from the Real Property Transfer Tax, then the FPC application must be accompanied with a deed such as warranty deed, quit claim deed, administrative deed, etc. that the customer plans to record along with grantor/ grantee statement. The appropriate box in section 2 of the FPC application must also be marked in order for the nonrefundable application fee to be waived.

A completed FPC application may be presented:

- By applying online at [Full Payment Certificate \(chicago.gov\)](https://www.chicago.gov).
- Starting November 13, 2023, for In-Person: City Hall, 121 N. La Salle St., Room 107 by the Seller, the Buyer, or the buyer/seller's attorney

### ❖ How long does it take for the Department of Finance to process an FPC?

The FPC must be presented at closing. To ensure you are prepared for your closing, please allow at least ten (10) business days for completion of all FPCs.

- FPCs for residential properties can sometimes be done the same day for the buyer, seller or buyer or sellers attorney only; however, this cannot be guaranteed
- Properties that need investigation such as a final reading, field review, bankruptcy review or receivership review may take longer and may not be completed within the 10-business day commitment

#### **Non-Metered Customers**

- The Department of Finance will review the account and determine the final bill amount
- The amount of the final bill, plus a \$50 application fee if applicable, must be paid prior to the certification of the FPC

#### **Metered Customers**

- The Department of Finance will review the account and determine the final bill amount
- If the meter has not had an actual reading within 60 days of the date of the FPC application, a final meter reading is required

- A final reading is also required for properties with meters which are read remotely
- The Department of Water Management will contact you to schedule a final meter reading if necessary

❖ After applying for an FPC, how do I receive the final certified document?

After all processing has been completed by the Departments of Water Management and Finance an email will be sent to the applicant. The email will contain a link. Please follow the link and make any required payment electronically. After the necessary payment has been processed, please click "View Certificate." This will allow you to save, download and print the certified FPC. Payments for utility bills can be made outside of this process using any payment method accepted by the City of Chicago; however, delays in payment processing may delay the certification process.

❖ I would like to drop off an FPC application in person. When can I do that?

**For the Buyer, Seller, or Attorney:**

- Applications will be accepted by the buyer/seller or attorney for the transaction during regular business hours Monday through Friday from 9:00 am to 5:00 pm. Personal identification may be requested
- Applications may be finalized same day unless additional services are required such as a field review, final meter reading or debt assignment review. Once an FPC is ready, it will send an email to the applicant registered email address.

**For Agents and all Other Parties:**

- Persons other than the buyer/seller or attorney will be considered an agent and must print and sign their names as the agent. Personal identification may be requested
- Agents are permitted to drop off during the designated time of 9:00 am to 10:00 am
- If the applicant or their organization is a registered Online FPC user the applications will not be accepted in person and must be submitted online
- Agents are not allowed to wait for same day processing and should expect at least 10 business days for processing
- Applicants who have profiles registered in the Online Full Payment Certificate (oFPC) portal may enter an inquiry via the oFPC portal in the NOTES section of the application for a more streamlined resolution and response.

❖ After the FPC is certified will the document expire?

Yes. The certified FPC will expire 60 days from the last actual meter reading on a metered account and 60 days from the date the FPC was completed on a non-metered account, for condominium units, and for vacant lots.

- ❖ I am billed for sewer only; will I be required to submit an FPC?

No. FPCs are not required for any property located outside the City of Chicago

- ❖ Is an FPC required if the property is being rebuilt as new construction (new building structure)?

No. The customer will not be required to submit an FPC application, and they will not be charged the FPC fee. The customer will be required to pay the account balance before they will be issued any permits by the City of Chicago's Buildings Department. During construction a water meter must be installed with the new water service line. This type of meter installation does not qualify for the Meter Save Program.

- ❖ Is an FPC required if an owner converts a building into condominium units?

The owner will be required to submit an FPC application when the conversion of the building is completed in order to begin the transfer of individual condominium units. The FPC fee will be charged based on whether the application and documents show that the property is exempt from the Real Property Transfer Tax.

- ❖ I am transferring a property via a Quit Claim Deed. Is an FPC application required and is there a fee?

Yes, an FPC is required. If the transaction is transfer tax exempt and the application is properly completed, then the FPC fee is not charged. The FPC application must be accompanied with a deed such as warranty deed, quit claim deed, administrative deed, etc. that the customer plans to record along with grantor/ grantee statement. The appropriate box in section 2 of the FPC application must also be marked in order for the nonrefundable application fee to be waived.

- ❖ I applied for an FPC, and my account was charged the FPC fee. Now I am being charged penalties for my unpaid FPC fee. Why do I have an outstanding FPC fee? Doesn't this process require payment of all charges?

The Department of Finance will charge the FPC processing fee once we have completed processing the application and made the application available for the applicant to certify. The applicant must then pay what is requested and certify the FPC. The customer will not receive the certification if they fail to pay the FPC fee.

Sometimes parties to a property transfer will decide not to complete the transfer and will not pay or certify the FPC. However, if the Department of Finance has completed processing the FPC fee will be charged. The customer will be required to pay the FPC fee and penalties will be assessed until the fee is paid.

- ❖ Can I transfer or sell a property that is enrolled in UBR?

Yes. You will need to submit an application for a Full Payment Certificate. Any outstanding balance that is owed on the utility account will need to be paid to complete the certification.

This includes any charges which were temporarily set aside at the time of enrollment into UBR that have not yet been permanently forgiven. This does not include any charges which were permanently forgiven during a prior UBR program year.

- ❖ My utility account for my property is enrolled in the UBR Program and I want to transfer my property to a buyer who is low-income. Is this possible and what is required?

Yes. The low-income buyer must apply for pre-qualification for UBR by visiting [chicago.gov/ubr](http://chicago.gov/ubr). If the buyer is pre-qualified, all steps in the process are completed, and the property is transferred, the buyer will become responsible for any unpaid utility charges on the account. This includes any charges that were temporarily set aside at the time of enrollment in the current UBR program year. This does not include any charges which were permanently forgiven during a prior UBR program year. The buyer will then be enrolled in UBR.

- ❖ I am applying for UBR pre-qualification through the online portal. After I enter the account number, what are the next steps?

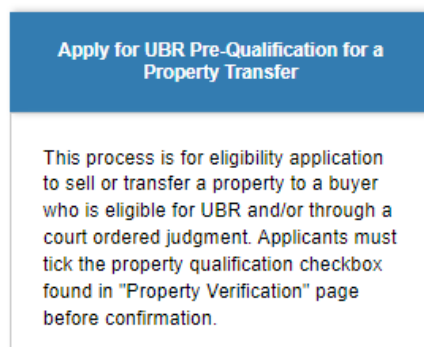
Since the utility account is currently enrolled in UBR, the buyer must click the “Utility Billing Relief (UBR) Pre-Qualification Property Transfer” box to proceed and enter all required information.

- ❖ I’m a low-income resident and I may want to purchase a property from someone currently enrolled in UBR. I just want to check if I’m qualified for UBR. Can I still apply for pre-qualification?

Yes. The UBR applicant must meet the income eligibility requirements and provide supporting documentation. Please visit the [chicago.gov/ubr](http://chicago.gov/ubr) FAQ section to review eligibility details and for instructions on how to apply.

- ❖ What enrollment option should be selected when submitting a UBR application for pre-qualification prior to a property transfer?

The buyer should select the Apply for Utility Billing Relief (UBR) Pre-Qualification Property Transfer box.



❖ What are the additional steps on submitting UBR application?

Buyer should answer if the application they are submitting is for a UBR Property Transfer Pre-qualification by selecting YES. For regular UBR Application, you may select the NO option.

Are you applying for UBR Pre-Qualification for a Property Transfer? \*

Yes  No

Confirm

❖ My household income meets the eligibility requirements for UBR, and I would like to transfer a property that is already enrolled in UBR. What is the processing time and what are the other steps?

Processing time for UBR applications is up to 30 days from receipt of a complete UBR application and required supporting documentation. After reviewing the application, we will send an email that contains a pre-qualification acknowledgment letter for the buyer to sign and send it back. Please note the email will be sent from info@cityofchicago.org and you may need to check your email SPAM filter/folder. The letter includes an estimate of all outstanding debt and utility charges that accrued to an account. The buyer of the property must acknowledge that they will become responsible for any unpaid charges. This includes any charges that were temporarily set aside at the time of enrollment in the current UBR program year. This does not include any charges which were permanently forgiven during a prior UBR program year. \_

Once all steps in the process are completed the prior amount owed plus the program anniversary date (start and end) will be carried over to the buyer. The \$50 FPC processing fee is waived.

We will not complete processing of the UBR application for pre-qualification or the FPC until we receive a signed pre-qualification acknowledgement letter. Please follow the instructions detailed in the letter on how to return/send a signed pre-qualification acknowledgement letter.

❖ If the current owner of a property is NOT enrolled in UBR, can they sell/transfer the property to a buyer who is eligible for UBR?

Yes. The general rule in this situation is that all outstanding charges must be paid in order to obtain a certified FPC.

However, there are two special cases where charges do not have to be paid to obtain a certified FPC as long as the buyer/recipient of the property goes through the pre-qualification process and is pre-qualified for UBR:

1. All property owners of record/on title have passed away. Proof in the form of a death certificate for each deceased property owner will be required as a part of the FPC process. Proof that the buyer of the property has the right to take title to the property will also be required. This may include a court order from a probate case, an affidavit of heirship, or other legal documentation sufficient to prove that the buyer has the right to take title from the estate of the decedent. For more information about probate estates and legal steps to transfer a property after someone has passed away, you may seek advice from a licensed attorney.
2. The property is being transferred by court order during a dissolution of marriage case (divorce case). The order of the court requiring the property to be transferred must be provided as a part of the FPC process. This must be an official copy signed or stamped by the court. The entire court order (all pages) must be provided and must clearly indicate who the property was ordered to be transferred to.

After reviewing the UBR application for pre-qualification, we will send an email that contains a pre-qualification acknowledgment letter for the buyer to sign and send it back. The letter includes an estimate of all outstanding debt and utility charges that accrued to an account. The buyer of the property must acknowledge that they will become responsible for any unpaid charges. If all steps are followed and the property is transferred, the buyer will then be enrolled in UBR.

- ❖ When transferring a property to a buyer who is eligible for UBR, is the FPC fee waived?

The default is that an application with a fee of \$50.00 shall be made to the Department of Finance. However, if the property is exempt from the Real Property Transfer Tax, the FPC application fee shall not be charged, if appropriately marked on the application. If a buyer goes through the process to pre-qualify for UBR and the FPC application is appropriately marked the \$50 application fee will be waived in this situation as well.

- ❖ I applied for pre-qualification for UBR prior to purchasing/acquiring a property. How do I know if I've been pre-qualified?

You will receive an email. If we are unable to approve your application for UBR, you will receive a letter or email with the reason(s) for denial and instructions on how to proceed. If you feel you were denied in error, please contact 312-744-4426.

- ❖ I was notified that I am pre-qualified for UBR prior to purchasing/acquiring a property. What do I need to do next?

Next you need to submit an application for an FPC.

A completed FPC application may be presented:

- By applying online at [Full Payment Certificate \(chicago.gov\)](https://www.chicago.gov).
- Starting November 13, 2023, for In-Person: City Hall, 121 N. La Salle St., Room 107 by the Seller, the Buyer, or the buyer/seller's attorney

When applying, please have the utility account number for the property available. If you are not sure of the account number, you may call us at (312) 744-4426 for assistance. Each FPC application requires proof of the transaction and proof of the buyer and seller. Some transactions may require additional supporting documents.

❖ What are the required documents for property transfer?

- A copy of the signed and notarized deed for the intended transaction (must be submitted if requesting an exempt FPC transaction)
- Title commitment Schedule A listing the buyer and seller
- Signed sales contract listing the buyer and seller
- Legal documents showing of ownership

❖ What are the additional steps when submitting an FPC application when selling to a buyer who has pre-qualified for UBR?

The FPC applicant must select the Property Transfer with Utility Billing Relief (UBR) Pre-Qualification Property Transfer option and enter the Application ID Number from the UBR Pre-Qualification Application.

### UBR Pre-Qualified Property Transfer ⓘ

Please check this box if this is a property transfer to a buyer who has pre-qualified for UBR.

Please enter the Application ID for the buyer's UBR pre-qualification application