

Dear Homeowners:

This letter is being written in response to questions concerning the proposed amendment establishing a Capital Contribution Fee.

The Capital Contribution is a one-time fee, collected at the time a Unit is sold or transferred. In most cases, the fee will be forwarded to the Association by the title company as part of the closing transaction.

Having surveyed many other communities, the amount that is routinely charged is three (3) months assessments. While the Uniform Planned Community Act permits Capital Contributions to be assessed up to a maximum of one year's assessment, the Board feels that at this time, three (3) months is sufficient.

The language of the proposed amendment basically recites the authority that is provided in the Uniform Planned Community Act, and contains the following limitations:

- Maximum fee not to exceed one year's assessment
- Disclosure of the fee in resale certificate
- Manner in which fee is collected
- No fee on certain inter-family transfers
- Use of fee by Association

The Amendment is intended to replace the current \$250.00 initial contribution contained in the Declaration, thus avoiding any confusion as what fees are collected at the resale transaction.