

**RESOLUTION OF
BEECH MOUNTAIN LAKES ASSOCIATION
INSTITUTING A CAPITAL IMPROVEMENT FEE**

WHEREAS, the Pennsylvania Uniform Planned Community Act, 68 Pa.C.S. §5302, allows for a Capital Improvement Fee; and

WHEREAS, pursuant to the aforesaid Act and other promulgations, and enabling documents of the Association, the following action is undertaken;

NOW THEREFORE, be it resolved by the Board of Directors of the Beech Mountain Lakes Association that the Capital Improvement Fee is hereby levied and assessed;

I. A capital improvement fee of five hundred (\$500.00) dollars for any improved lot for each resale or transfer of a lot, immediately payable to the Association upon such occurrence, provided that:

- A.* In the case of resale or transfer of a lot consisting of unimproved real estate, the capital improvement fee shall be two hundred and fifty (\$250.00) dollars for each resale or transfer of a lot, immediately payable to the Association upon such occurrences; and
- B.* In the case of resale or transfer of a lot which was either created or added to the planned community in accordance with section 5311 (relating to conversion and expansion of flexible planned communities) of the Uniform Planned Community Act, at some time during the most recently completed fiscal year of the Association but was not in existence for the entire fiscal year, the capital improvement fee shall be an amount not to exceed one-half of the annual assessments for general common expenses charges to a lot comparable to such lot during most recently completed fiscal year of the Association.

II. Capital improvement fees allocated by the Association will be maintained in a separate capital account and will be expended only for new capital improvements or replacement or existing common elements, and will not be expended for operation, maintenance or other purposes.

III. No capital improvement fee shall be imposed on any gratuitous transfer of a lot between any of the following family members: spouses, parent and child, siblings, grandparent and grandchild. Appropriate sworn affidavits to the effect of same shall be provided to the Association at the time of sale or transfer or other indicia as may be acceptable by the Association or its management.

IV. No fees may be imposed upon any person who:

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- A. Acquires a lot consisting of unimproved real estate and signs and delivers to the Association at the time of such person's acquisition a sworn affidavit to the Association declaring the person's intention to reconvey such lot within 18 months of its acquisition; and
- B. Completes such reconveyance within such 18 months. In which case the fee shall **NOT** be collected on the original transaction but collected on the subsequent resale or transaction occurring within said period.
- C. In the event the reconveyance does not occur, then the fee shall be due from the date of the original transaction for which exemption was claimed, and payable immediately with interest thereon at the rate of ten (10%) percent per annum from the original date. By the way of explanation and not limitation, payment or original fee(s) shall be in addition to any subsequent fee(s) which may arise outside the eighteen-month period.

V. The grantor and grantee of such property in a voluntary conveyance, and the previous owner and the grantee in an involuntary conveyance, including tax sales or judicial sales, shall be jointly and severally liable for all unpaid fees and other charges pertaining to said lot with regard to the capital improvement fee.

VI. The annual dues and assessment for general common expense for the year 2001 is five hundred and thirty (\$530.00) dollars for both improved lots and unimproved lots, and said sum is presumed for the purposes of this resolution to be the minimum amount now or hereafter in effect unless and until there is further Board action modifying same.

VII. In the event the fee is not paid, it shall be delinquent and said persons shall be subject to legal and equitable action and such other remedies as may exist in the Association's Declaration of Covenants, Bylaw and Rule and Regulations. The Association shall have the right, inter alia, to file for collection, or to pursue, through a collection agency, sums due hereunder. Delinquent accounts may be pursued through an Association-approved professional collection agency and/or legal procedures. An administrative cost of \$300.00 minimum per action will be assessed together with all other costs of collection, expenses and attorney fees and will become the obligation of the persons herein referred. The grantor and grantee shall be jointly and severally liable for all costs of collection, expenses, and attorney's fees, together with interest at the rate of ten (10%) percent per annum on the delinquent fee.

VIII. Any section, subsection or part hereof held to be illegal or otherwise stricken shall not affect the remaining portions.

IX. Assessments collected hereunder shall not be used for extraordinary expenditures above and beyond the annual operating and capital requirements. As deemed appropriate by the Board.

X. The assessment hereunder shall be effective on transactions occurring on or after January 31, 2002.

Resolution - Capital Improvement Fee

Motion introduced on June 26, 2001 by Mr. Greg Jones and seconded by Mr. Rick Bachman.

Motion passed by a vote of four(4) in favor and one (1) opposed and no abstentions.

Beech Mountain Lakes Association

by: Greg Jones
President

by: Mary Ann Lyman
Secretary 6/26/01