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September 29, 2010

Alfred M. Pollard, General Counsel  
Federal Housing Finance Agency  
Fourth Floor, 1700 G Street, NW  
Washington, DC 20552

Re: Public Comments on "Guidance on Private Transfer Fee Covenants" [No. 2010-N-11]

Dear Mr. Pollard:

As real estate attorneys whose practice has involved the creation and operation of thousands of condominiums and planned communities throughout the United States over the last 37 years, we are writing to express our opposition to the Federal Housing Finance Agency's proposed guidance No. 2020-N-11 on Private Transfer Fee Covenants. If implemented in its present form, the proposed guidance will have a widespread adverse impact on an already struggling housing market, denying home buyers access to mortgage financing, further eroding the market for those trying to sell their homes, and making it more costly for homeowners to live in communities that currently use transfer fees to offset the cost of various programs and services that benefit the community. These far reaching, and presumably unintended, consequences would all be in contravention of FHFA's stated mission to support housing finance and affordable housing.

We are urging FHFA to withdraw the proposed guidance in its entirety and allow the state legislatures to address the issue of private transfer fee covenants as they see fit. Alternatively, we would ask FHFA to revise the proposed guidance to avoid adversely impacting hundreds of thousands of homes, by exempting transfer fee covenants imposing "beneficial" transfer fees — *i.e.*, transfer fees payable to owners associations or other nonprofits and devoted to the ongoing or future benefit of the land encumbered by the covenant or the community of which it is a part.

It appears that the impetus for, and primary target of, FHFA's proposed guidance is some relatively recent activity promoting the use of private transfer fee covenants as a tool to generate an income stream for the developer or landowner who records the covenant. Often, these arrangements require little, if any, of the fees collected to be used to benefit the properties which pay them or the communities of which they are a part. As you may be aware, the collaborative efforts of a number of different groups have produced legislation restricting "non-beneficial" transfer fee covenants in at least 17 states, with similar legislation introduced in at least 4 other states. We expect more enactments in the 2010-2011 legislative session.

Notably, in at least 12 of the 17 states which have passed laws to address private transfer fee covenants, the final law has contained exceptions for transfer fees payable to owners associations and other nonprofit entities, at least to the extent that the covenant requires the fees to be used for the ongoing benefit of the property subject to the covenant and the community of which it is a part. However, FHFA's proposed guidance "does not distinguish between private transfer fee covenants which purport to render a benefit to the affected property and those which accrue value only to unrelated third parties." 75 Fed. Reg. 49932-33. Rather, it would direct Fannie Mae and Freddie Mac and the Federal Home Loan Banks not to purchase any mortgage loan where the mortgage is secured by land that is subject to any transfer fee covenant — even if that fee is payable to an owners association and is devoted to purposes which directly benefit the owners of the subject property, such as ongoing community services and programs or improvements to or replacement of community facilities. In this respect, the proposed guidance, if adopted in its present form, would contradict and undermine the will of the people and the legislature in every state that has addressed this issue and concluded that covenants providing for beneficial transfer fees should be exempted from any general prohibition of private transfer fee covenants.

While the promotion of non-beneficial transfer fee covenants as a mechanism for producing income for the covenanting landowner or developer is a fairly recent occurrence, transfer fee covenants, as a legal concept, have been used for a variety of legitimate, beneficial purposes in communities all across the country for many, many years. Hundreds of thousands of homes<sup>1</sup> across the United States are subject to transfer fee covenants which require use of the transfer fees collected (typically less than  $\frac{3}{4}$  of 1% of the resale price<sup>2</sup>) for such things as:

- providing initial working capital to owners associations and helping fund capital reserves for future maintenance, repair and replacement of community improvements, enabling the association to charge lower common expenses assessments and making the ongoing cost of living in the community more affordable for all;
- promoting the arts and cultural programs and provide educational, recreational, and social programs and services for the benefit of residents of the communities that pay the transfer fees;
- providing for environmental mitigation and protection of endangered and threatened species and wildlife habitat;

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<sup>1</sup> In a 2010 membership survey conducted by the Community Associations Institute, over 600 communities encompassing more than 480,000 homes reported having transfer fee covenants that benefited the community. Our firm alone has been involved in the creation of more than 50 communities, to encompass over 225,000 homes when fully developed, that collect and use transfer fees for the benefit of the homes that pay them and the communities of which they are a part. See Exhibit A for specific examples of these communities.

<sup>2</sup> Among the communities responding to the 2010 Community Associations Institute survey which reported having a transfer fee based on a percentage of the sale price, 83% reported a percentage of  $\frac{3}{4}$  of 1% of the sale price or less and 71% reported a transfer fee of  $\frac{1}{2}$  of 1% of the sales price or less. Among the communities reporting a transfer fee in a fixed amount, 78% reported a fee of \$500 or less and 56% reported a fee of \$250 or less.

- protecting artifacts and archeologically significant features;
- funding nonprofit entities which provide ongoing monitoring and enforcement of historic facade easements and conservation easements; and
- helping to fund affordable housing initiatives.

These *beneficial* transfer fee covenants have been widely accepted by the market place, and we have seen no empirical data suggesting that they have limited property transfers or impaired the marketability of property in any way. To the contrary, some of the top-selling communities in the country collect and use transfer fees for these beneficial purposes<sup>3</sup>, and many of the communities we work with report that they have continued to see more sales than their competition throughout the worst housing market in decades.

We are also unaware of any support for the assertion that beneficial transfer fees create instability or reduce liquidity in the primary or secondary mortgage markets, increase the cost of home ownership (in fact, the opposite is true<sup>4</sup>) or create any legal uncertainty or risk not normally present in the title industry. They do not "complicate a residential real estate transaction" any more than other financial obligations or liens typically associated with property being transferred -- title companies and closing attorneys are quite adept at identifying and dealing with liens of all types. There is no reason that transfer fee covenants would create any confusion or uncertainty for home buyers if they are recorded in the land records and properly disclosed<sup>5</sup>. While real estate brokers and agents might prefer to have one less item to be disclosed and negotiated between buyers and sellers, we do not believe that FHFA's mission calls it to address that concern or to take action which may be beneficial the broker's interest but harmful to the public interest.

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<sup>3</sup> In 2009, at least 4 of the 10 top-selling master planned communities in the country (as identified in an annual survey conducted by Robert Charles Lesser & Co., an independent real estate advisory firm) were communities with private transfer fee covenants which dedicate the transfer fees collected to funding of programs and activities for the benefit of the community. Among them was Rancho Sahuarita, a community in Tucson, Arizona, which contains over 5,000 existing homes and is planned to include up to 11,680 homes when fully developed. According to Tucson Association of Realtors data, the average resale price of homes in Rancho Sahuarita dropped only 3.35% during a recent period in which FHFA reported an 8.2% drop in average resale prices in Arizona as a whole.

<sup>4</sup> The programs and services funded by these beneficial transfer fees are attractive to many of today's home buyers, who are not just looking for a house, but a community and a lifestyle that is more affordable when partially funded with transfer fees than it would be if funded by regular assessments over the entire term of their home ownership.

<sup>5</sup> Disclosure of transfer fee obligations routinely occurs prior to contract through state-required disclosure documents, information sheets provided by the association, and/or by real estate agents familiar with the community and involved in the transaction. Associations have a vested interest in ensuring that the transfer fee is properly disclosed and collected prior to closing. It is customary for title companies or attorneys closing real estate transactions on lots or units in associations to request a resale certificate from the association prior to closing stating the amount of assessments owed on the property being sold. In our experience, the amount of any transfer fee is routinely disclosed in this same certificate in order to ensure that it is paid at or prior to closing.

If FHFA's proposed guidance is adopted in its present form, it will have a devastating impact on the housing industry as a whole, particularly in today's economy. Unlike state legislation which generally applies only prospectively to prohibit the recording of new transfer fee covenants (and largely exempts from transfer fee prohibitions those transfer fees paid to owners associations and in some cases other nonprofit entities), FHFA's proposed action will render the title virtually unmarketable on every existing home that currently has any kind of transfer fee covenant in its chain of title -- even if that covenant is legally enforceable under applicable state law. Any home owner whose title is subject to a transfer fee covenant will find it virtually impossible to sell their home or refinance their mortgage, as no lender who desires to sell to Fannie Mae, Freddie Mac, or a Federal Home Loan Bank (the vast majority of lenders in the home mortgage business) would consider making a mortgage loan to a prospective buyer. Even a cash buyer will be reluctant to purchase in a community where resale opportunities would be so limited.

In most cases, the homeowners (and even the owners associations of which they are a part) will be powerless to amend those covenants to remove the transfer fee provisions without the consent of a supermajority of the owners (which is often impossible to achieve even for uncontroversial amendments) and/or a third party beneficiary, who is unlikely to relinquish its right to collect the fees without substantial compensation, which neither the homeowners or the association will be in a position to pay. In many cases, beneficial covenants will have been imposed to satisfy requirements of local governments as a condition of development approval<sup>6</sup>, or to settle lawsuits by public interest groups relating to environmental mitigation, open space and affordable housing initiatives<sup>7</sup>. In some communities, the owners associations have pledged transfer fee income to lenders to secure the funds needed to build or renovate community facilities<sup>8</sup>. The homeowners cannot simply terminate or amend these covenants away to restore marketability.

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<sup>6</sup> For example, in order to obtain development approval for Avimor, a community north of Boise, Idaho planned for 600 homes, the developer was required to adopt a wildlife mitigation plan and wetlands mitigation plan approved by the Idaho Department of Fish & Game, the Bureau of Land Management (BLM), the U.S. Army Corps of Engineers, and Ada County, Idaho. The mitigation plans require perpetual environmental and wildlife protection, maintenance, monitoring, and educational activities and employment of a conservation manager, independent of the owners association, which is funded in part by a transfer fee collected on lot sales.

<sup>7</sup> The developers of Martis Camp, described on Exhibit A, imposed transfer fees at the behest of both local governments and environmental groups relating to these concerns. Notwithstanding these fees, Martis Camp has seen much stronger sales than other communities in the area during an extremely difficult housing market, which may be due in part to the value buyers see in the environmental stewardship it represents.

<sup>8</sup> For example, the property owners in Rancho Sahuarita, mentioned in Note 2 above, approved borrowing by their association of \$10,000,000 to construct a community center which now includes a water park, fitness facility, kids club, and activity park with a pedal car racetrack, a nine-hole miniature golf course, a shaded playground, and an event lawn for concerts and outdoor entertainment to serve the residents of the community. The approval was conditioned upon the loan being repaid solely from the transfer fees which the association is entitled to collect on resales of homes in the community.

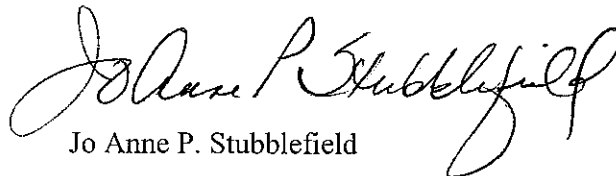
We appreciate that the question of whether an owners association should fund some of its activities through transfer fees (as opposed to only from periodic lot assessments) is a political one, on which persons may legitimately express different views. For that reason, we believe that it should be left to the political process of each state to decide. State law has traditionally defined the rights and obligations associated with land ownership, particularly within common interest communities. State legislatures have become quite active in reviewing and addressing transfer fee covenants, as evidenced by the 17 states that have already passed laws restricting certain types of transfer fee covenants. If a particular state legislature elects to prohibit owners associations from imposing any form of transfer fees, such decision is plainly within the state's prerogative. However, to date, the clear majority have made an exception for transfer fee covenants which require fees to be paid to an owners association to fund the provision of ongoing programs and services or the ongoing or future maintenance of facilities that provide benefit the community.

We respectfully request that FHFA withdraw the proposed guidance in its entirety and allow the state legislatures to address the issue of private transfer fee covenants as they see fit. However, if FHFA issues any guidance, it should be very narrowly tailored, with existing state laws in mind, to address only *non-beneficial* transfer fee covenants. Otherwise, the proposed guidance risks not only disrupting the financial operations of untold numbers of owners associations that are dependent upon transfer fees, but also rendering unmarketable the title of any innocent landowner whose chain of title contains a transfer fee covenant of any type (regardless of that covenant's enforceability under that state's law).

Respectfully submitted,



Wayne S. Hyatt



Jo Anne P. Stubblefield

Enclosure

## EXHIBIT "A"

### Examples of Communities with Beneficial Transfer Fees

The following table identifies a representative sampling of communities (estimated to encompass more than 225,000 homes when all are fully developed) which are currently subject to beneficial transfer fee covenants that require the transfer fees to be paid to a homeowners association, community association, or other designated nonprofit entity to be used for stated purposes which benefit the community, the surrounding area, and/or the larger community of which it is a part.

Name of Community	Location	Estimated # of Homes When Fully Developed <sup>1</sup>	Transfer Fee Paid to	Amount of Transfer Fee	Purposes of Transfer Fee
The Ridge	Elmore County, Alabama	800	Preservation Organization	0.75% of sales price	funding of environmental preservation and restoration of Lake Martin and surrounding forests and wetlands area; environmental, educational, and cultural opportunities for residents of the Lake Martin area
Willow Glynn	Elmore County, Alabama	250	Preservation Organization	0.75% of sales price	funding of environmental preservation and restoration of Lake Martin and surrounding forests and wetlands area; environmental, educational, and cultural opportunities for residents of the Lake Martin area
Verrado	Buckeye, Arizona	11,000	Community Council	not to exceed 1% of sales price	funding of programs and activities to foster interaction among residents and surrounding community
Rancho Sahuarita	Sahuarita, Arizona	11,680	Community Association	1.0% of sales price	funding of programs and activities for general good and welfare of the community
DC Ranch	Scottsdale, Arizona	2,700	Community Council	not to exceed 0.5% of sales price	funding of educational, cultural, environmental, health and wellness, technology, and recreational programs and activities; preservation of open space; encouraging volunteerism; addressing transportation issues within community and surrounding area
Marley Park	Surprise, Arizona	3,700	Community Association	not to exceed 0.25% of sales price	funding of programs and activities for general good and welfare of the community
Ladera Ranch	Orange County, California	8,100	Community Council	0.25% of sales price	funding of cultural, social, and environmental programs and programs that help foster a sense of "community"
Martis Camp	Truckee, California	653	Charitable Organization	0.25% of sales price	workforce housing (costs of planning, designing, developing, repairing, maintaining and/or reconstructing workforce housing); transit; passive recreation and management and enhancement of open space
			Charitable Organization	0.5% of sales price	open space acquisition, maintenance, and restoration within the region
			Charitable Organization	0.25% of sales price	habitat management and restoration on sites within the region

<sup>1</sup> Information regarding estimated number of homes planned for each community size is no

Name of Community	Location	Estimated # of Homes When Fully Developed <sup>1</sup>	Transfer Fee Paid to	Amount of Transfer Fee	Purposes of Transfer Fee
Newhall Ranch	Santa Clarita, California	20,885	Community Council	not to exceed 1.0% of sales price	funding cultural, social and environmental programs
Santaluz	San Diego, California	850	Community Council	0.25% of sales price	funding various community and neighborhood activities and programs
Cornerstone	Ouray and Montrose Counties, Colorado	412	Preservation Committee of Community Association	at least 0.5% but shall not exceed 2.5% of sales price	maintenance and preservation of open space in accordance with wildlife management plan
Grand Park	Winter Park, Colorado	2,543	Community Foundation	not to exceed 0.5% of sales price	funding of social and cultural programs
Marabou	Steamboat Springs, Colorado	62	Community Association	0.5% of sales price	implementation of wildlife mitigation plan; maintenance of improvement of Elk River fisheries
Sandstone American Ranch	Castle Rock, Colorado	106	Community Association	not to exceed 0.5% of sales price	funding of programs and activities for "general good and welfare of the community"
Wolf Ranch	Colorado Springs, Colorado	6,000	Community Council	not to exceed 0.25% of sales price	funding of educational, cultural, environmental, health and wellness, technology, recreational programs and activities; preservation of open space; encouraging volunteerism and community interaction; social programs, community outreach and other charitable causes
Bonita Bay	Bonita Springs, Florida	3,300	Community Association	\$1,500	such uses as Community Association board of directors deems appropriate
Connerton	Tampa, Florida	5,000	Community Council	not to exceed 0.25% of sales price for unimproved property and 0.5% for improved property	funding of arts, culture, environmental, and wellness programs; support of public library
CopperLeaf Golf Club	Bonita Springs, Florida	570	Charitable Foundation	at least 0.25% of sales price but not greater than 1%	funding of cultural and social programs and activities; preservation and maintenance of natural areas and wildlife preserves; and social services, community outreach and similar charitable causes
Mediterra	Naples, Florida	950	Charitable Foundation	at least 0.25% of sales price but not greater than 1%	funding of programs and activities for general good and welfare of the community
RiverCamps on Crooked Creek	Bay County, Florida	450	Charitable Foundation	0.5% of sales price	funding of education programs, community service programs, the arts, youth programs, and other activities, services, or programs for general benefit of people of the Northwest Florida region; promotion of volunteerism for charitable causes
Shadow Wood	Lee County, Florida	1,600+	Community Association	0.25% of sales price	funding of programs and activities for general good and welfare of the community

Name of Community	Location	Estimated # of Homes When Fully Developed <sup>1</sup>	Transfer Fee Paid to	Amount of Transfer Fee	Purposes of Transfer Fee
SouthWood	Tallahassee, Florida	4770	Community Association	a maximum of 0.4% of sales price, decreasing to 0.1% over time	funding of programs and activities for general good and welfare of the community, which may include educational, cultural, environmental, health and wellness, technology, and recreational programs and activities; preservation of open space; encouraging volunteerism and community interaction
SummerCamp	Franklin County, Florida	499	Charitable Foundation	0.5% of sales price	funding of education programs, community service programs, the arts, youth programs, and other activities, services, or programs for general benefit of people of the Northwest Florida region; promotion of volunteerism for charitable causes
Twin Eagles	Naples, Florida	not available	Community Association	at least 0.25% of sales price but not greater than 1%	funding of programs and activities for general good and welfare of the community
Verandah	Fort Meyers, Florida	1,700	Community Association	at least 0.25% of sales price but not greater than 1%	funding of education programs, community service programs, the arts, youth programs, and other activities, services, or programs for general benefit of people of the Northwest Florida region; promotion of volunteerism for charitable causes
Victoria Park	Volusia County, Florida	4,200	Community Council	not to exceed 0.5% of sales price	funding of programs and activities for general good and welfare of the community
WaterColor	Walton County, Florida	1,000+	Charitable Foundation	0.5% of sales price	funding of education programs, community service programs, the arts, youth programs, and other activities, services, or programs for general benefit of people of the Northwest Florida region; promotion of volunteerism for charitable causes
WaterSound	Walton County, Florida	1,000+/-	Charitable Foundation	0.5% of sales price	funding of education programs, community service programs, the arts, youth programs, and other activities, services, or programs for general benefit of people of the Northwest Florida region; promotion of volunteerism for charitable causes
WindMark Beach	Port St. Joe, Florida	1,662	Charitable Foundation	0.5% of sales price	funding of education programs, community service programs, the arts, youth programs, and other activities, services, or programs for general benefit of people of the Northwest Florida region; promotion of volunteerism for charitable causes
Bentwater	Paulding County, Georgia	1,285	Community Association	¼ of annual assessment	funding of cultural and social programs and activities; preservation and maintenance of natural areas and wildlife preserves; and social services, community outreach and similar charitable causes
Blalock Lakes	Newnan, Georgia	399	Community Association	greater of \$1,200 or ½ of annual assessment	funding of cultural and social programs and activities; preservation and maintenance of natural areas and wildlife preserves; and social services, community outreach and similar charitable causes



Name of Community	Location	Estimated # of Homes When Fully Developed <sup>1</sup>	Transfer Fee Paid to	Amount of Transfer Fee	Purposes of Transfer Fee
Callaway Resort	Pine Mountain, Georgia	608	Community Council	not to exceed 1% of sales price	funding of cultural and social programs and maintenance and operation of community roads, facilities, and infrastructure
Frederica Township	St. Simons Island, Georgia	400	Charitable Conservancy Trust	not to exceed 1% of sales price	protection of wood stork colony, an endangered species that nests in the area
The Georgia Club	Statham, Georgia	1,197	Community Association	not to exceed 0.3% of sales price	funding of educational, cultural, environmental, health and wellness, technology, social and recreational programs and activities; preservation of open space; encouraging volunteerism; community outreach and other charitable causes
The Lakes at Cedar Grove	Fulton County, Georgia	925	Community Association	¼ of annual assessment	funding of cultural and social programs and activities; preservation and maintenance of natural areas and wildlife preserves; and social services, community outreach and similar charitable causes
River's Call	Atlanta, Georgia	100	Community Association	½ of annual assessment	funding of cultural and social programs and activities; preservation and maintenance of natural areas and wildlife preserves; and social services, community outreach and similar charitable causes
Seven Hills	Paulding County, Georgia	1,530	Community Association	½ of annual assessment	funding of cultural and social programs and activities; preservation and maintenance of natural areas and wildlife preserves; and social services, community outreach and similar charitable causes
Tributary at New Manchester	Douglasville, Georgia	2,000	Community Alliance	0.5% of sales price	supplement funds the homeowners association raises for amenities; development of social, cultural, nature, and wellness programs
West Park	Cobb County, Georgia	84	Community Association	½ of annual assessment	funding of cultural and social programs and activities; preservation and maintenance of natural areas and wildlife preserves; and social services, community outreach and similar charitable causes
Hokuli'a	Kailua-Kona, Hawaii	665	Owners Association	\$3,000	funding of education programs, community service programs, the arts, youth programs, and other activities, services, or programs for general benefit of people of the Northwest Florida region; promotion of volunteerism for charitable causes
			Charitable Foundation	0.25% of sales price	affordable housing, health care, drug education and treatment, education, and native Hawaiian culture
			Owners Association	0.25% of sales price	protection, preservation and education regarding artifacts, historic and archeological features; and environmental monitoring & mitigation
Keahou and and Kahalu'u Resort	Kailua-Kona, Hawaii	3,800	Community Council	not to exceed 0.5% of sales price	protection, preservation and education regarding artifacts and historic and archeological features; promotion of native Hawaiian culture; protection of open space

Name of Community	Location	Estimated # of Homes When Fully Developed <sup>1</sup>	Transfer Fee Paid to	Amount of Transfer Fee	Purposes of Transfer Fee
Summerlin	Las Vegas, Nevada	80,000	Community Council	1/3 of annual assessment	maintenance of parks and recreation areas; funding of activities and programs promoting recreation, diversity and quality of life; preservation of open space, water quality, places of historical significance, and the general physical character of the area
			Community Association	1/6 of annual assessment	to carry out purposes and responsibility of Community Association
La Entrada at Rancho Viejo	Santa Fe, New Mexico	456	Owners Association	not to exceed 0.5% of sales price	funding of programs and activities for general good and welfare of the community
Windmill Ridge at Rancho Viejo	Santa Fe, New Mexico	800+	Owners Association	not to exceed 0.5% of sales price	funding of programs and activities for general good and welfare of the community
Balsam Mountain Preserve	Sylva, North Carolina	290	Charitable Trust	1% of sales price	maintenance of nature center, management and preservation of conservation easement, develop nature and cultural arts programs, and stewardship of natural and cultural resources in the area through land management practices, scientific research and environmental education
Berewick	Charlotte, North Carolina	800+	Community Association	¼ of annual assessment	capital repairs and improvements, debt repayment, other expenses not covered by the association's general budget
Biltmore Lakes	Ashville, North Carolina	600	Charitable Foundation	0.5% of sales price	support of public education and charitable institutions which serve residents of western NC
The Ramble Biltmore Forest	Ashville, North Carolina	140	Charitable Foundation	0.5% of sales price	support of public education and charitable institutions which serve residents of western NC
			Community Association	0.5% of sales price	maintenance of parks and gardens in community
SweetGrass	Blowing Rock, North Carolina	200	Community Association	¼ of annual assessment	funding of cultural and social programs and activities; preservation and maintenance of natural areas and wildlife preserves; social services, community outreach and similar charitable causes
Baxter	Fort Mill, South Carolina	1,400	Community Association	not to exceed 0.25% of sales price	funding of educational, cultural, environmental, health and wellness, technology, recreational programs and activities; preservation of open space; encouraging volunteerism and community interaction; social programs, community outreach and other charitable causes
I'On	Mt. Pleasant, South Carolina	762	Charitable Trust	1% of sales price	preservation of wildlife habitat, conservation areas and historical features; educational programs to promote understanding and appreciation of natural environment and history of area; recreational leagues, cultural programs, educational programs, festivals and holiday celebrations and activities, a community technology network, recycling programs; social services, community outreach programs, and other charitable causes

Name of Community	Location	Estimated # of Homes When Fully Developed <sup>1</sup>	Transfer Fee Paid to	Amount of Transfer Fee	Purposes of Transfer Fee
The Reserve at Lake Keowee	Sunset, South Carolina	1,600	Community Foundation	not to exceed 1% of sales price	preservation and maintenance of natural areas and wildlife preserves; educational programs, particularly about area's natural resources; cultural activities; support of area schools and shelters
Spring Island	Okatie, South Carolina	410	Conservation Trust	1% of sales price for improved property; 1.5% of sales price for unimproved property	protection and preservation of nature preserves and open space, creation of educational programs, and development of arts and culture programs
Cross Creek Ranch	Fulshear, Texas	5,600+/-	Education Foundation Committee of the Owners Association	0.25% of sales price	enhance educational programs in local community
Daybreak	South Jordan, Utah	20,000	Community Council	not to exceed 0.5% of sales price	develop and administer social, cultural, and environmental programs and preservation and maintenance of natural areas and wildlife preserves
Homestead Preserve	Bath County, Virginia	450	501(c)(4) Preservation Trust	1% of sales price of improved property; 2% of sales price of unimproved property	funding of educational, cultural, environmental, health and wellness, technology, social and recreational programs and activities; preservation of open space; encouraging volunteerism; community outreach and other charitable causes
Issaquah Highlands	Issaquah, Washington	3,250	Community Council	not to exceed 0.25%	create and administer social, educational, cultural, and environmental programs
	<b>TOTAL</b>	<b>225,000+</b>			