

## FACE Fee Questions

### **Is there a time limit for the One Time Exemption?**

**No.** Anyone who is a homeowner on January 1, 2012 is eligible for a one time exemption. If a current homeowner acquires another home in IronOaks they are eligible to receive a onetime exemption from the fee. It does not matter when you acquire another home.

### **Every new buyer will pay the same fee. Would it be better if the FACE Fee was based on the value of the home they purchase?**

Just as our annual dues are collected equally from each lot owner, so should the FACE Fee be an equal amount. The Fees collected will be used for the growth and improvement of our amenities and common areas. Our amenities and common areas are available equally to all homeowners regardless of the value of their home.

### **Will buyers for the Villas have to pay an additional fee?**

**No.** The FACE Fee will be the same for any new buyer. Villa owners do pay an additional fee for the maintenance of the exterior of their home and landscaping. This will not change.

### **Will the FACE Fee be retroactive to January 1<sup>st</sup>?**

**No.** The New Owner Special Assessment will go into effect on all homes or lots that open escrow for purchase on or after the first of the month following the date the FACE Fund Amendment goes into effect. For example, if the FACE Fund Amendment goes into effect on May 1, 2012, then any new owner of a home or lot that begins the escrow process on June 1, 2012, or thereafter is obligated to pay the New Owner Special Assessment. As a further example using May 1, 2012 as the date the amendment went into effect, if the purchase of a home closes on or after June 1, 2012, but the escrow process first began in May of 2012 or earlier, then the new owner is not obligated to pay the assessment on that purchase.

Since the implementation date is not specifically addressed in the amendment, a policy has been prepared to clarify the issue. This is on the agenda for Wednesday's Board meeting.

### **Does the FACE Fee amendment give the Association new spending authority?**

**No.** The language in the amendment does not grant the Board new or expanded authority. The current CC&R's are written such that the Board already has very broad authority to act in the interest of the Association. Current CC&R's, Article IX, Section 1 "Purposes for Which Association's Funds May Be Used" the Association shall apply all funds and property collected and received by it.....for the common good and benefit of Oakwood Country Club and the Members and Residents by devoting such funds and property, among other things, to the acquisition, construction, alteration, maintenance, provision and operation, by any manner or method whatsoever, of all land, properties, improvements, facilities, services, projects, programs, studies and systems, within or without Oakwood Country Club, which in the Board's determination may be necessary,

desirable or beneficial to the general common interests of Oakwood Country Club, the Members and the Residents.”

The language in the FACE Fee amendment clarifies the authority already expressed in Article IX, Section 1. It does not grant any authority which does not already exist.

The FACE Fee simply allows the Association to create a new source of income, paid by the buyers of re-sale homes. .

**Shouldn't homeowners have a say in the use of the funds?**

**Of course.** The Master Planning Committee has completed their Operating Policies, Procedures and Approval Levels for FACE Fund project. Homeowner input is imperative at every phase of this review process. Additionally, at the Boards request, the Master Planning Committee has proposed a policy addressing expenditure controls relating to the FACE Fund. This policy is on the agenda for the February 25<sup>th</sup> Board Meeting. Projects with a total cost of 20% or greater of the prior year's total annual homeowner assessments shall require the majority vote of the voting homeowners to be approved.

**What if I don't return in my Consent Form?**

Approval of the amendment requires 2,010 lot owners to mark “Yes” on the consent form. Not returning your consent form is the same as a “NO”.

**There is a CC&R Revision Committee working on the CC&Rs now. Should we wait until they are finished to decide on the FACE Fund?**

**No.** Please keep the approval of the FACE Fee separate from any CC&R changes that would change or modify the authority of the Association. If the FACE Fee is NOT approved it **will not** stop the Association's obligation to maintain and plan for the growth of our community. It **will** mean that funding for the capital improvements must come solely from increased annual dues or special assessments to current homeowners. We will lose the additional revenue the FACE Fee would generate.

As mentioned we have an ad hoc CC&R Revision Committee that is beginning its second year of work. This is a daunting and time consuming task. The CC&R Revision Committee is looking at how various changes will affect other provisions in the CC&Rs as well as the obligations of the Association as defined by Arizona State Statues. Any proposed changes that would affect the authority of the Association should come from this committee after they have been thoroughly vetted. It would be irresponsible to circumvent their work.

I want to thank those of you who took the time to submit your questions. I hope all homeowners find this information helpful.