

Transfer Fee Change voted at April 20, 2005 Board meeting-

The Homeowners Board took a number of weeks to research and discuss a transfer fee. At the April 20, 2005, board meeting, the Board voted in a transfer fee of \$950 and eliminated the \$300 resale statement fee. This new transfer fee applies to transfers of property after June 30th. The Board also voted to share \$100 of this transfer fee with the Country club.

This transfer fee is not a fee to recover paper processing costs when property transfers are made, nor is it a special assessment or a general assessment. It is a fee paid by new buyers of property in our community and is consistent with transfer fees charged by other communities.

Some of the reasons we implemented this change are detailed below-

1. Because of rising costs in all areas, Apache Wells needs the additional funds this transfer fee will generate to maintain and upgrade facilities.

The additional money the transfer fee will raise will have many uses. Our new building (Library), like all other buildings constructed in 2004 was caught by the rapid rise in building costs. Our swimming pool needed complete resurfacing, the shower room floors had to be redone to make them safer, the shuffle boards are being resurfaced, the billiard room needed recarpeting, office computers had to be updated and we hired a security firm for nighttime patrols. Our garbage contract is up for renewal this year and we expect a considerable raise in rates. And sometimes our wonderful volunteers tried to save money by doing things in the most minimal way- we now have to play catch up to bring those areas up to standard.

One of the many items we discovered by the Comprehensive Long Term Planning Project led by Arizona University's Dr. Hultsman was that in terms of fees and dues, Apache Wells is way below other communities. The low fees have been one of the attractions to buying in Apache Wells, but those low fees have also created problems for Apache Wells. We have not kept pace with other communities in offering amenities and activities and if we plan to compete with other communities for attracting residents, we must properly maintain and upgrade our facilities and activities.

2. This higher fee only impacts new buyers in the community. Current owners are not affected unless they become new owners of another property in Apache Wells.

3. New buyers will immediately have an investment in the facilities that the rest of us have been paying for all along. Their dollars will help insure that Apache Wells remains the community they chose to purchase a home in.

4. The amount of \$950 is consistent with the fee other communities charge.

5. The \$100 of the transfer fee given to the Country Club ⁽¹⁾ recognizes the joint interest we have in all the facilities of Apache Wells. Two thirds of our residents do not belong to the Country Club though they benefit from a well kept golf course, the availability of a restaurant and the use of Apache Hall. The net effect is that the Homeowners will have \$550 per transfer that they didn't have before.

The HO Board voted to share with the Country Club a minimum amount of this transfer fee to recognize that our organizations are mutually dependent on each other. This is not all one sided on our part- many people might not know that the Country Club Board suggested and allowed the Homeowners to connect pool security cameras to the Country Club monitoring system which saved the Homeowners thousands of dollars. The Country Club and Homeowners Board shared the cost and responsibility of implementing the Comprehensive Long Term Planning Project by Dr. Wendy Hultsman of Arizona University and both Boards hope we can find many more ways to cooperate and work together.

With the board's action on April 20, 2005, the new transfer fee policy was established and the previous resale statement fee was eliminated. Consistent with other communities, no exceptions to the fee were made except those that might be mandated by Arizona law.

Julie Couture, President
Apache Wells Homeowners Board

(1) The AWHOA Board of Directors rescinded this action at the March 15, 2007 board meeting.