



NOTICE of Cross Creek Ranch Assessment Fees

Buyer Pays...	Capitalization Fee = Same amount as 1 yr HOA fees*
Seller/Builder Pays...	Foundation Fee = .25% sales price
Negotiable on who pays...	Resale Certificate with Compliance Inspection (required) = Included in Transfer Fee*** Transfer Fee = \$375
<p>*2019 Annual HOA fees are \$1300, plus homes in subdivisions with lakes may pay more. **Foreclosures, divorces, and probates are excluded from paying Foundation Fee. *** Negotiable items are agreed to in the <i>Addendum for Property Subject to Mandatory Membership In a Property Owners Association</i>.</p>	

NOTE: HOA Assessment and Transfer fees can change. [Contact HOA for details.](#)

Client acknowledges receipt of this information:

Review Source Info (from Deed Restrictions) on the Following Pages



Sources

2.8. Cross Creek Foundation Committee and Foundation Fee

The Cross Creek Foundation Committee (the "**Foundation Committee**") is a committee of the Association organized to oversee the administration of the "**Foundation Fee**" described in that certain Foundation Supplemental Amendment to the Community Charter for Cross Creek Ranch (the "**Foundation Supplemental Amendment**"), recorded or to be recorded in the official records of Fort Bend County, Texas. In addition, the establishment of the Foundation Committee and its powers are set out in detail in the Foundation Supplemental Amendment. The purpose of the Foundation Fee is to provide funding for educational programs and services to Cross Creek Ranch, its residents, and the community surrounding Cross Creek Ranch.

As described in the Foundation Supplemental Amendment, the Board shall have the authority

to establish and collect a Foundation Fee from the transferring Owner upon each transfer of title to a Unit, except for such transfers which are specifically exempted. Such Foundation Fee shall be payable to the Association by the transferor of the Unit at the closing of the transfer and shall be secured by the Association's lien for assessments under Chapter 12 herein.

During the Founder Control Period, this Section 2.8 may be amended by the Founder unilaterally without the joinder or consent of any other Person. Thereafter, this Section 2.8 may be amended by the Board with the approval of Voting Delegates representing at least two-thirds of the total votes in the Association.

Source: [Community Charter](#) 4/15/2008, chapter 2.8



H. Obligation to pay Foundation Fee

Foundation Fees shall be levied on every real estate transaction as set out below.

1. Authority and Creation

Pursuant to the Charter and Commercial Declaration, the Board shall have the authority to establish and collect a Foundation Fee upon each transfer of title to a Unit or Tract (except transfers which are specifically exempted), as set forth in detail below as to Units and in the Commercial Declaration as to Tracts. Such Foundation Fee shall be payable to the Association at the closing of the transfer of the Unit or Tract and shall be secured by the applicable lien for assessments as established in the Charter and Commercial Declaration. The transferring Unit or Tract Owner shall notify the Association's Secretary, or managing agent, of a pending title transfer at least seven days prior to the transfer. Such notice shall include the name of the buyer, the date of title transfer, and other information as the Board may require.

2. Levying of the Foundation Fee: Units

The Board, from time to time, shall determine the amount of the Foundation Fee. The Foundation Fee may be based upon a sliding scale which varies in accordance with the gross selling price of a Unit, or based upon another factor as determined by resolution of the Board. The gross selling price of a Unit may be determined in the following manner:

- the total sales price of a Unit comprised only of land ("Land Gross Selling Price");
- the total sales price of a Unit consisting of land plus the estimated sales price of completed dwelling/improvements to be constructed by the Builder in the future on such Unit ("Builder Gross Selling Price"); or
- the total sales price of the Unit, including all improvements, as indicated on the title company's closing statement ("Completed Gross Selling Price").

The Foundation Fee shall be equal to an amount not greater than one percent (1%) of the Land Gross Selling Price, Builder Gross Selling Price or Completed Gross Selling Price of the Unit, whichever applicable.

The amount of the initial Foundation Fee shall be one-fourth of one percent (0.25%) of the applicable Land Gross Selling Price, Builder Gross Selling Price or Completed Gross Selling Price of the Unit, and shall remain at this level until such time as the amount is changed by resolution of the Board.

a. Founder to Builder to Purchaser Sale of Unit [Contracts prior to April 13, 2012]:

Regarding Units that have contracts for sale of such Units that were entered into by and between Founder and Builder before April 13, 2012:

- (i) On the date of sale of a Unit by Founder to Builder, the Founder shall pay the Foundation Fee, which shall be based on the Land Gross Selling Price of the Unit. Foundation Fees shall be due on the day of closing of a Unit and shall be delinquent if not paid in full on the day of closing for said Unit.



(ii) On the date of sale of a Unit by Builder to a purchaser, the Builder shall pay the Foundation Fee, which shall be based on the Completed Gross Selling Price of the Unit. Foundation Fees shall be due on the day of closing of a Unit and shall be delinquent if not paid in full on the day of closing for said Unit.

b. Founder to Builder to Purchaser Sale of Unit [Contracts on or after April 13, 2012]:

Regarding Units that have contracts for sale of such Units that were entered into by and between Founder and Builder on or after April 13, 2012:

(i) On the date of the sale of a Unit by the Founder to the Builder, the Builder shall pay the Foundation Fee, which shall be based upon the Builder Gross Selling Price. Foundation Fees shall be due on the day of closing of a Unit and shall be delinquent if not paid in full on the day of closing for said Unit.

(ii) On the date of the sale of a Unit by a Builder to a purchaser, no Foundation Fee shall be charged to either the Builder or the purchaser, as noted under the exemptions provision herein.

c. Owner to Purchaser Sale of Unit:

On the date of the sale of a Unit by an Owner (other than Founder or Builder) to a purchaser, the Owner shall pay the Foundation Fee, which shall be based on the Completed Gross Selling Price of the Unit. Foundation Fees shall be due on the day of closing of a Unit and shall be delinquent if not paid in full on the day of closing for said Unit.

Source: [Amended and Restated Amendment to the Community Charter 12/19/2012](#) (pp. 5-7)



Chapter 12 (Association Finances) in the Charter shall be amended by adding the following new Section:

12.10. CAPITALIZATION OF THE ASSOCIATION.

Each purchaser of a Unit within the Community, other than the Founder and Builder(s), hereby covenants and agrees to pay to the Association a capitalization fee, which shall be an amount equal to one hundred percent (100%) of the then-current Base Assessment for such Unit plus any applicable Service Area Assessment for such Unit (the "Capitalization Fee"), unless otherwise determined by the Board. Such Capitalization Fee shall be payable to the Association at the closing of the transfer of title to a Unit and shall not be prorated. The Capitalization Fee shall be in addition to, not in lieu of, the Base Assessment and any applicable Service Area Assessment and shall not be considered an advance payment of same. The payment of the Capitalization Fee shall be secured by the continuing lien set forth in the Charter and shall be collected in the same manner as assessments.

The transferring Owner shall notify the Association's Secretary, or managing agent, of a pending title transfer at least seven days prior to the transfer. Such notice shall include the name of the purchaser, the date of title transfer, and other information as the Board may require. The Capitalization Fee may be used by the Association for any purpose, which in the Association's sole discretion is for the benefit of the Community, including the placement of such Capitalization Fee in a reserve account.

The Capitalization Fee, as it pertains to a resale (a sale of a Unit whereby the seller is a Person or entity other than the Founder or Builder), shall be effective as to the sale of any such Unit having a purchase contract executed on or after January 1, 2017.

The Charter, as hereby amended, is in all respects ratified and confirmed and shall remain in full force and effect. If any provision of this Amendment is found to be in conflict with the Charter, as amended, this Amendment shall control.

Source: [Third Amended and Restated Amendment to the Community Charter \(01/25/2017\)](#)

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