

The following should answer any questions you may have:

**How will the Capital Improvement Assessment impact me?**

Current residents of Ballymeade will not be paying the increased Special Assessment. It will be collected at settlement from the buyer. It will only impact you when you are getting ready to sell your home (see next question).

**What do I need to do if I am selling my home?**

You will need to disclose that there is a **one-time, non-refundable "Capital Improvement Assessment" of two-times the Annual Maintenance Fee** on the "Seller's Disclosure Form." This disclosure is just one more item to include about the terms of joining the Ballymeade Maintenance Corporation, along with information about this being a Deed Restricted Community and that there is an annual assessment fee paid by all members.

**How will this assessment be collected from the buyer of my home?**

Sellers and their agents should ensure that this information, from the seller's disclosure, is forwarded to the settlement attorney.

**What if my house is under contract to be sold or is on the market right now?**

Since this Special Assessment was not in effect at the time you created your Seller's Disclosure Form, or when your home was put on the Multiple Listing Service, the buyer of your home is exempt from this increased assessment. (See the next question regarding the effective date and implementation of the assessment.)

**What is the effective date of this Special Assessment?**

The Board is declaring that all homes that go on the market 3 days from the date of the Annual Meeting are affected by this increased Capital Improvement Assessment. The seller, therefore, is obligated to state in their Seller's Disclosure Form that this assessment will be due at settlement.

**Will there still be an annual Maintenance Fee?**

Yes. All 243 households in Ballymeade will still be responsible for paying their annual maintenance fee. This fee is used to cover the annual operating costs of the community that include such items as landscape maintenance, landscape enhancements, storm water basin management, snow plowing, our management company's contract, utilities, taxes, etc. In passing the Capital Improvement Assessment to be paid by new buyers, the Board intends to keep the ongoing annual assessments relatively flat in the coming years since we will not need to request an ever-increasing contribution by current residents to build the reserves.

**Is the Capital Improvement Assessment a legal practice?**

The Board consulted with an attorney prior to making a decision to bring this issue to the community. The attorney reviewed Ballymeade's governing documents and found no specific prohibition against the Capital Improvement Assessment. The Corporation does have the power to pass Special Assessments

when they are necessary to maintain the private open space of the community. The attorney we consulted believes that there is justification in the governing documents to support this increased Capital Improvement Assessment.

**Is this Capital Improvement Assessment permanent?**

It will remain in effect until enough reserve funds are collected to accommodate the community's future financial needs. The assessment will be in effect until the community as a whole votes at an annual meeting to end it with a majority vote of residents present when a quorum is represented. The Board will carefully monitor the Special Assessment to ensure it is meeting the goals of the Reserve Fund.