

ARTICLE 2.00

Community Investment Fee shall have the meaning set forth in Section 4.09 hereof and shall be deemed to be a Transfer Assessment authorized by section 38-33.3-207(4)(a)(iv) of CCIOA.

ARTICLE 4.00

4.09 Community Investment Fee

4.09.1 Basic Rule. Each person who purchases a Homesite, with or without a residence thereon, shall pay to the Association immediately upon becoming the Owner a Community Investment Fee ("CIF") in such amount as is established from time to time by the Board. In addition each person who builds a residence for the use of the owner or the owner's family shall pay to the Association a Community Investment Fee ("CIF") in such amount as is established from time to time by the Board upon issuance of a certificate or letter of occupancy or upon beginning occupancy of said residence, whichever occurs first. The limitation of "for the use of the owner or the owner's family" is intended to exclude builders constructing a home for sale to a third party. As used herein the term "person" includes entities such as limited liability companies and corporations and if an entity that is not a builder constructs a residence it will be required to pay the CIF based on the retail cost as more particularly described in (2) directly below.

A CIF may not exceed the following percentage of the (1) Purchase Price of the Homesite, or (2) the retail cost of all goods and services involved in construction of a residence where the issuance of a Certificate or Letter of Occupancy from the governmental entity with authority to issue same is expected or required for occupancy:

DATES	MAXIMUM CIF PERCENTAGE
First effective date through December 31, 2021	1.50%
January 1, 2022 through December 31, 2022	1.75%
January 1, 2023 through December 31, 2023	2.00%
January 1, 2024 through December 31, 2024	2.25%
January 1, 2025 through December 31, 2025	2.50%
January 1, 2026 through December 31, 2026	2.75%
January 1, 2027 and thereafter	3.00%

The actual CIF percentage may be determined by the Board by resolution adopted from time to time. In addition to specifying the applicable percentage the Board may limit the amount of the purchase price to which the CIF will apply. For example, the Board may resolve that the CIF will be 1.50% of the purchase price and that it is applicable only to the first \$500,000.00 of the price. The Board may also establish a sliding scale so that a defined percentage is applicable to a portion of the purchase price and different percentages applicable to the balance. As an example, the Board may provide that a 2% CIF is applicable to the first \$400,000.00 of the purchase price and a different percentage applicable to the balance.

4.09.2 Definitions

4.09.2.1 Purchase Price. For the purposes of this Article, "Purchase Price" is defined as the total cost paid to or for the benefit of the seller by or on behalf of the purchaser of the property and also means, in the case of an owner constructing a residence on an owned Homesite, the amount of the retail cost of all goods and services involved in construction. Unless demonstrated otherwise to the reasonable satisfaction of the Board, it will be presumed that the purchase price for the property is the fair market value of the property. Should the Board determine that is not the case, then the purchase price may be determined by the Board based on such investigation that it deems appropriate. Among other data, the Board may rely on values obtained from the Grand County Assessor's office to help the Board determine the fair market value of the property.

4.09.2.2 Builder. "Builder" means a person or entity whose job it is to construct homes for resale to third parties. The Board may adopt an application form for those wishing to qualify as a Builder and will make its determination based on the completed application and such investigation, if any, it deems appropriate.

4.09.3 Use of the CIF by the Association. The primary purpose of the CIF is to benefit the general good and welfare of the Grand Elk Ranch and Club community, as deemed appropriate by the Board. By way of example and not limitation, the CIF may be used for any or all of the following: to construct, refurbish or replace improvements including club houses, golf facilities and related infrastructure, roads, recreational and fitness buildings, curbs, gutters and monuments or other amenities, to acquire or contribute to the acquisition by others of real property, including recreational and fitness facilities, fishing areas, open space, trails and wildlife habitat or other amenities within Grand Elk or to which Owners have access,

4.09.4 Use as Security. The Grand Elk Owners Association is authorized to pledge, assign, transfer, or convey as security (i) its right to levy and/or collect the CIF, and (ii) its right, title, and interest in and to all or any portion of the CIF levied and collected.

4.09.5 Exemptions. The Board may adopt such rules and regulations for exemptions from this section 4.09 as it deems proper.