

**Wedgwood Estates Community Association**  
**38 Nancy Lane**  
**Downingtown, PA 19335**

Tel. 610-873-7208  
www.wedgwoodestates.com  
wedgwoodestates@verizon.net

---

March 11, 2010

To Our Owners at Wedgwood:

Several years ago, the law pertaining to community associations was amended. One of those amendments allows community associations to impose a "Capital Improvement Fee" on the transfer of units. Essentially, it provides for a one-time fee to be paid by a buyer in conjunction with the purchase of a unit. The fee is kept in a separate fund for use in improving the community and may not be used for common expenses. Based on legal advice and our investigation among surrounding associations, it is the rare community that has not been imposing this fee in the interest of the entire association.

Accordingly, on March 9, 2010, in an effort to work toward the future of our community, the Board approved the adoption of a Capital Improvement Fee for our community. It will apply to all new Agreements of Sale signed after April 15, 2010. The fee is intended to be assessed and collected at settlement from the Buyer.

A copy of the approved Resolution is enclosed for your records. If you are planning on selling your unit, you are required to disclose the fee. We determined that the fee should be equivalent to the annual fee to eliminate the need to continuously change the amount of the Capital Improvement Fee over time.

If you currently have your unit for sale, please advise your real estate agent, title insurance company and/or buyer of the Capital Improvement Fee. For all owners that do not currently have their unit for sale, please keep this letter with your important records in the event you sell your unit in the future.

Thank you for your cooperation. It is our hope this action will help start to build our capital reserve, which will fund future projects to enhance our community.

Sincerely,  
WECA Board of Directors

Board of Directors  
Wedgwood Estates Community Association

## **RESOLUTION**

The Board of Directors of Wedgwood Community Association, after meeting and understanding the requirements of the Uniform Planned Community Act as cited below, hereby RESOLVES:

1. Each unit which shall be sold or transferred, subject to the following conditions, shall pay a capital improvement fee which shall be established annually based upon 100 percent of the annual assessment charged to such unit during the most recently completed fiscal year of the association.

2. The capital improvement fee must be maintained in a separate capital account and may be expended only for new capital improvements or replacement of existing common elements and may not be expended for operation, maintenance or other purposes.

3. No capital improvement fee shall be imposed upon any gratuitous transfer of any unit between any of the following family members: spouses, parent and child, siblings, grandparent and grandchild.

4. The Association shall establish the capital improvement fee for each fiscal year.

5. The capital improvement fee shall apply to any new agreements of sale entered into on or after April 15, 2010, being the date of the Resolution of the Board of the Director and notification to the homeowners of the adoption of the Resolution.