

# Santaluz Community Council

## CSO for the Association of Santaluz Maintenance Association

This Demand is provided pursuant to the Escrow/ Title company's request regarding the escrow referenced below.

The Santaluz Maintenance Association (SMA) is part of multi-corporation community. Santaluz Community Council (SCC) requires payment of a mandatory Community Enhancement Fee (CEF) to be collected for each sale or resale of each lot/ unit within the Maintenance Association. The CEF equals one-quarter of one percent ( $\frac{1}{4} \times 1\%$ ), multiplied by the total purchase price of the property, and is collected at the close of escrow along with all other monies due. Pursuant to the Community Enhancement Fee Agreement which encumbers each lot/unit within SMA, SCC is authorized to place this demand for payment of the CEF with the escrow agent for each Resale of a Lot/ Condominium within SMA.

Present Owner/Seller: \_\_\_\_\_

Property Address: \_\_\_\_\_

This statement shall be completed and signed by both Seller and Buyer. The executed original shall be returned along with all fees and sums due.

### REQUIRED FEE

Escrow Closing Date: \_\_\_\_\_ TOTAL Consideration/Purchase Price: \$ \_\_\_\_\_ CEF: \$ \_\_\_\_\_

- ◆ Send *ONE* check, payable to SACOM-CEF, for the CEF and remit with all other checks & documents.

THE CEF IS NEGOTIABLE BETWEEN THE SELLER AND BUYER: The Seller and the Buyer acknowledge the existence of the CEF and further acknowledge the options listed below regarding payment of this fee and choose the following option...

- Seller is responsible for the total amount of the CEF and will pay the entirety through escrow OR
- Seller and Buyer will split the total amount of the CEF and pay the entirety through escrow OR
- Buyer is responsible for the total amount of the CEF and will pay the entirety through escrow or opt to utilize the Payment Option outlined below.

Seller's Signature(s): \_\_\_\_\_

Buyer's Signature(s): \_\_\_\_\_

**PAST DUE AMOUNT:** \$0.00 (Disregard this section if there is no amount listed)

The Past Due Amount listed above is from the prior escrow in which the current Seller purchased the property and was never collected. This is a required fee and must be fully paid at the close of escrow. This amount is due by the Seller.

### SAMPLE CALCULATIONS

#### EXAMPLE #1

Total Purchase Price \$850,000.00  
 Multiply by  $\frac{1}{4}$  of 1% X 0.0025  
**CEF Amount \$2125.00**

#### EXAMPLE #2

Total Purchase Price \$995,000.00  
 Multiply by  $\frac{1}{4}$  of 1% X 0.0025  
**CEF Amount \$2,487.50**

#### EXAMPLE #3

Total Purchase Price \$1,500,000.00  
 Multiply by  $\frac{1}{4}$  of 1% X 0.0025  
**CEF Amount \$3,750.00**

### PAYMENT OPTIONS

Civil Code Section 1368(c)(2)(B)(iii)(II), allows buyers of property within communities having a transfer fee, commonly called a Community Enhancement Fee (CEF), to either pay the entire fee at the close of escrow or to commit to an installment plan for a period of not less than seven years. If the installment plan option is selected, the fee will be billed at a monthly rate for seven years as described below. A monthly administrative charge of \$5.00 will be assessed in addition to the set payment amount. If the entire fee is paid at the time of closing, no finance or administrative charge will apply. The buyer must notify escrow of their intent to elect the installment option prior to the close of escrow. If the buyer does not notify escrow, the transfer fee will be paid in its entirety at the time of closing.

Upon selection of the installment option, the buyer shall remit to escrow 1/84th of the total fee along with a \$250.00 set up charge payable to "SCC-CEF." Upon receipt of confirmation that buyer has selected the installment plan, a CEF Installment Payment/Amortization Schedule ("Schedule") calculating the monthly payment amount based on the total fee and the 10% finance cost will be created. This Schedule, along with an installment agreement, will be sent to the buyer to be signed and returned. The Schedule should be retained by the buyer to determine the amount of CEF outstanding should the property be sold prior to the expiration of the payment plan.

#### CEF Installment Plan / Cost of Electing Installment Plan

Set-up Fee:	\$250	Total Purchase Price:	\$1,000,000.00
Monthly Fee:	\$5	CEF:	\$2,500.00
Term of Plan:	84 months	Total Payments:	\$3,956.00
Interest:	10%		

**Additional Cost of Electing Installment Plan: \$1,656.00**

**BUYER ACKNOWLEDGEMENT & SIGNATURE(S)**

**CHECK PAYMENT OPTION:**

Lump Sum  Installment Plan