



## **EXHIBIT**

**Unanimously Approved by the Board of Directors  
Thursday, September 29, 2015**

### **GVR TRANSFER FEE**

#### **Overview**

Initial Fees and New Member Capital Fees paid are paid to GVR when a home first enters GVR Membership or when an existing Member property is re-sold to a new owner, respectively. Initial Fees and New Member Capital Fees are waived for GVR Members in good standing who purchase another GVR property. Instead, these GVR Members pay a nominal Transfer Fee, regardless of whether or not the newly purchased property will be used as a primary residence or as an investment/rental property.

The Transfer Fee is not explicitly referenced within GVR Bylaws. However, it is referenced within the GVR Corporate Policy Manual (CPM) within two (2) Sections:

1. *SECTION II – MEMBERSHIP*

*F. OTHER FEES - A fee for service is payment for the work involved in an operation that benefits individual members, as distinct from the entire membership.*

1. *The Board has established fees for services:*

*a) Transfer Fees: There shall be a charge for the processing of the transfer of a membership upon the sale of a membership property.*

2. *SECTION VI – BOARD/BOARD COMMITTEES*

2. *FISCAL AFFAIRS COMMITTEE* B.

*Responsibilities:*

*7) Recommend the establishment and the amount of tenant fees, membership dues, initial fees, transfer fees, and assessments.*

CPM language infers that the Transfer Fee is for a GVR Member's primary residence only, a one-to-one transaction ("*...the transfer of a membership upon the sale of a membership property.*"). At some point in GVR's history, Initial Fees and New Member Capital Fees were waived and only a Transfer Fee was applied in cases where a GVR Member purchased another GVR Member property, regardless of whether it involved the sale of a membership property (as stipulated within the CPM), or if the newly purchased property was to be used as a rental or investment property or for a primary residence.

The intent of the recommendation that follows is to clarify and emphasize that GVR's focus is on members who utilize GVR amenities as a benefit of their primary residence and not to subsidize those who would use a GVR property for investment/rental purposes.

## **Recommendation**

**Re-assert the GVR Transfer Fee policy as originally intended for "the processing of the transfer of a membership upon the sale of a membership property," and implement the policy according to the following guidelines:**

- 1. Permit for the purchase of GVR Member primary residences only;**
- 2. Provide GVR Members 12-months by which to complete transaction of transferring a GVR membership to a newly purchased GVR membership property from the sale of a membership property;**
- 3. Upon written request from a GVR Member, the Chief Executive Officer (CEO) is authorized to extend the transaction period for transferring a GVR membership to a newly purchased GVR membership property from the sale of a membership property.**
- 4. GVR shall collect payment-in-full of Initial Fees or New Member Capital Fees (whichever applies) for the purchase of GVR member properties by GVR Members that are not intended as the purchaser's primary residence.**

**If a GVR member has not completed the transaction of selling their original membership property at the time they purchase another GVR property, GVR shall collect payment-in-full of an Initial Fee and New Member Capital (whichever applies). If at the time of sale of the original membership property (if within 12 months [or longer if extended by the CEO]), GVR shall refund the Initial Fee and New Member Capital (whichever applies) less any appropriate Transfer Fee that would have been due.**

- 5. The aforementioned re-stated Transfer Fee policy and implementation guidelines shall take effect on January 1, 2016.**

