

ARTICLE XIV. FOUNDATION FEES

Pursuant to the authority vested in the Board, the Woodforest Foundation Committee (the "Foundation Committee") has been created in order to assist the Board with the administration of Foundation Fees, including making recommendations to the Board regarding grants from Foundation Fees as well as establishing the means and methods of distributing such grants from Foundation Fees. The purposes of the Foundation Fees are to invest in the future of Woodforest and the surrounding community, to supplement and complement the functions of the Association and to enhance services and resources to the community through the sponsorship of programs, activities and events in and around Woodforest.

Foundation Fees shall be levied on every real estate transaction (unless excluded) as set out below:

A. Authority

The Board shall have the authority to establish and collect a Foundation Fee from the transferring Owner upon each transfer of title to a Lot within Woodforest (except transfers which are specifically hereafter exempted). Such Foundation Fee shall be payable to the Association at the closing of the transfer of the Lot and is secured by the Association's lien for Assessments established in this Declaration. The transferring Owner shall notify the Association's Secretary or managing agent of a pending title transfer at least seven (7) days prior to the transfer. Such notice shall include the name of the transferee, the date of title transfer, and other information as the Board may require.

B. Levying of the Foundation Fee for Lots

1. The Board from time to time shall determine the amount of the Foundation Fee for Lots. The Foundation Fee may be based upon a sliding scale which varies in accordance with the "Gross Selling Price" of the Lot or Homesite or another factor as determined by the Board; provided, any such Foundation Fee shall be an amount not greater than one-quarter of one percent (0.25%) of the Gross Selling Price of the Lot or Homesite upon the conveyance of a Lot or Homesite from a Builder to an Owner, or one-half of one percent (0.50%) of the Gross Selling Price of the Lot or Homesite upon the conveyance of said Lot or Homesite by an Owner other than the Builder to another person.

For the purpose of determining the amount of the Foundation Fee, the Gross Selling Price shall be the total cost to the transferee of the Lot or Homesite including improvements, as indicated on the title company's closing statement, if produced as part of such transaction

2. The Foundation Fee shall be charged to the transferor on the date of the sale of a Lot. Foundation Fees shall be due on the day of closing of a Lot and shall be delinquent if not paid in full on the day of closing for said Lot. Foundation Fees shall not be pro rated.

C. Exempt Transfers

Notwithstanding the above, no Foundation Fee shall be levied upon transfer of title to a Lot or Homesite:

1. by a co-Owner to a person who was a co-Owner immediately prior to such transfer;
2. to the Owner's estate, trust, surviving spouse, or child upon the death of the Owner;
3. to any entity wholly owned by the Declarant; provided, upon any subsequent transfer of ownership interest in such entity, the Foundation Fee shall become due;
4. to an institutional lender pursuant to a mortgage or upon foreclosure of a mortgage;
5. to Declarant (if Declarant repurchases a Lot);
6. by Declarant;
and
7. by the Association to a purchaser.