

STONE & GERKEN, P.A.

ATTORNEYS AT LAW

4850 N. Highway 19A

Mount Dora, Florida 32757

(352) 357-0330

Main Office Fax (352) 357-2474

Lakeside Office Fax (352) 357-5445

LEWIS W. STONE
SCOTT A. GERKEN
KATRINA THOMAS STONE

KEVIN M. STONE
W. GRANT WATSON
CHRISTOPHER D. RYAN

October 22, 2018

Via e-mail
Richard.baier@districtgov.org

Richard Baier, District Manager
Sumter Landing Community Development District (SLCDD)
Village Center Community Development District (VCCDD)
Amenities Authority Committee (AAC)
Project Wide Advisory Committee (PWAC)

Re: Amenities Fee Rates from October 1, 2018

Dear Mr. Baier,

You recently contacted us for an opinion regarding the interaction between the “deferral rate” and “prevalent rate.” Amenities fees paid by owners can increase pursuant to an annual CPI adjustment described in the Declarations. Each District which has been assigned amenities fees has limited discretion to defer CPI adjustments so that increases are not immediately imposed. SLCDD and VCCDD (the “Districts,” each a “District”) have each established a “deferral rate” of \$155 by an annually renewed resolution. CPI increases are not imposed on an owner once their fee has reached the deferral rate; their rate is frozen at that amount. As of October 1, 2018, for the first time, the amenities fee “prevalent rate” in the Developer’s contracts for new homesites exceeds the “deferral rate” established by the District resolutions. This office was asked to clarify how fee rates will be calculated prospectively.

In sum:

1. Any owner whose amenities fee is less than the deferral rate will be subject to CPI adjustments only until their fee reaches the deferral rate. At that time, the rate will be frozen at the deferral rate. If the deferral rate is increased, deferred and prospective CPI increases may be imposed.
2. An owner whose amenities fee is at the current deferral rate will continue to pay that frozen rate. If the deferral rate is increased, deferred and prospective CPI increases may be imposed.