



## APPLICATION FOR EXEMPTION FROM REAL ESTATE INVESTMENT FEE

### GENERAL INFORMATION

**Purpose:** The Application for Exemption from Real Estate Investment Fee provides essential information to the Town of Frisco to help ensure fair and uniform enforcement of the Town's Real Estate Investment Fee. Refer to Chapter 160, sections 160-10 through 160-21, of the Code of the Town of Frisco Colorado (the "Town Code") for additional information.

**Requirements:** Under §160-18 of the Town Code, at the time of any transfer of land or an interest in real property upon which a fee is imposed, or that is claimed to be exempt from the payment of a fee, there shall be made a report to the Town Manager on forms prescribed by him or her setting forth the true, complete and actual consideration for the transfer, the names of the parties to the transaction, the location of the real property transferred, the basis for any claimed exemption and such other information as he or she may require. Under §160-16 of the Town Code, in the event that a transfer is claimed to be exempt from the real estate investment fee, the grantor or purchaser may apply for and obtain from the Town Manager a certificate of exemption, which must be affixed to the deed or instrument of transfer prior to the recording of the deed. Any application to certify the exemption must be filed in the office of the Town Manager no less than three (3) business days prior to the date that the transaction fee is payable to the town (pursuant to §160-19 of the Town Code the fee is due and payable at the time of the transfer and is delinquent if it remains unpaid for thirty (30) days thereafter). **Pursuant to §160-16, the burden of proving any exemption shall be in all cases upon the one claiming it, and the exemptions provided by the Town Code shall be available only if applied for prior to the date that the investment fee is payable to the town.** Pursuant to §160-16 of the Town Code, in the case of an application for exemption which is properly applied for but not granted before the transfer takes place, the fee shall be paid as required by the Town Code and if, thereafter, the exemption is allowed by the Town Manager the person who has paid the fee shall be entitled to a refund.

**Enforcement and penalty:** Under §160-18 of the Town Code, it is a violation of the Town Code to fail to complete this Application for Exemption from Real Estate Investment Fee and to return the completed form to the Town Manager at the time of the transfer if an exemption is sought. Under §160-19 of the Town Code, it is a violation of the Town Code for any person who is liable for payment of a real estate investment fee to cause the deed, instrument of conveyance or document evidencing such transfer to be filed of record in the Office of the Summit County Clerk and Recorder, or to attempt to so record any such document, before the real estate investment fee and all penalties and interest thereon have been paid in full. Under §160-19 of the Town Code, it is a violation of the Town Code for any person to make any false or fraudulent return or remittance, to make any false statement in connection with any remittance or in connection with any application for an exemption (this form) or in any manner to evade the collection or payment of the fee, or any part thereof. Among other means of enforcement (such as a lien against the

subject real property), any person who violates any of the provisions described above may be punished by a fine not exceeding three hundred dollars (\$300) or imprisonment for a period of not more than ninety (90) days, or by both such fine and imprisonment.

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1. Name, address and daytime telephone number of person completing this form (**note: this form must be signed by the buyer or the seller**):  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
2. Name, address and daytime telephone number of seller:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
3. Name, address and daytime telephone number of buyer:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
4. Physical address **and** legal description of real property transferred (do not use P.O. Box address):  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
5. Date of transfer of real property (note: this is usually the date of the closing of the transaction): \_\_\_\_\_
6. Total consideration paid for the property \$ \_\_\_\_\_  
(note: see §160-12 of the Town Code for a detailed definition of “consideration” – include in the dollar amount stated above all actual cash paid for the subject property, the dollar value of all real and personal property delivered or conveyed, or contracted to be delivered or conveyed, in return for the transfer of the subject property, and the dollar amounts of any lien, mortgage, contract indebtedness or other encumbrance or debt, either given to secure the purchase price, or any part thereof, or remaining unpaid on the property at the time of transfer.)

7. Claim of Exemption. The undersigned claims that the above-described transfer is exempt from the Town of Frisco Real Estate Investment Fee because (check all applicable blanks and follow the instructions for the checked sections):

A. \_\_\_\_\_. The transfer was for no consideration or the consideration for the transfer was \$500.00 or less.

**Instructions:** Attach a copy of any one of the following:

- (i) An appraisal of the value of the subject property prepared by a Certified General Appraiser licensed by the State of Colorado and dated not more than one year prior to the date of transfer set forth in section 5 above; or
- (ii) A written opinion of the value of the subject property prepared by a Realtor licensed by the State of Colorado and dated not more than one year prior to the date of transfer set forth in section 5 above; or
- (iii) A copy of the Summit County Tax Assessor's most recent determination of the actual value of the subject property for real property tax purposes.

If the dollar amount set forth in section 6 above is less than the dollar value set forth in the document provided under these instructions, then explain the reason(s) that the property was transferred for less than the value set forth in the document: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

B. \_\_\_\_\_. The transfer had either the United States or an agency of the State of Colorado, or any county, city, municipality, district or other political subdivision of the State of Colorado, as either the grantor or the grantee.

C. \_\_\_\_\_. The transfer was a gift if real property and there was no consideration for the transfer other than love and affection, or the transfer was a charitable donation.

**Instructions:** Attach written evidence of the charitable nature of the grantee of the property, or describe (below) the relationship between the grantor and the grantee: \_\_\_\_\_

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D. \_\_\_\_\_. The transfer was between the same parties and either created or terminated a co-ownership in the property and there was no consideration paid in connection with the creation or termination of the co-ownership.

**Instructions:** Attach a copy of the deed (or other instrument of conveyance) that evidences ownership of the property immediately prior to the transfer described above and describe (below) the reason(s) for the transfer without consideration: \_\_\_\_\_

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E. \_\_\_\_\_. The transfer of title or change in interest in real property was by reason of death and was pursuant to a will, the law of descent and distribution or otherwise.

**Instructions:** Attach documents that provide evidence of the death and the reason for the transfer (e.g. the will, an order of the probate court, etc.)

F. 1. \_\_\_\_\_. The Transfer was made pursuant to a reorganization, merger or consolidation of corporations or by a subsidiary to a parent corporation for no consideration other than the cancellation or surrender of the subsidiary's stock; **or**

2. \_\_\_\_\_. The transfer was made to a corporation, partnership, limited partnership, joint venture, business trust or other association or organization **and** that association or organization is owned by the persons by whom such transfer was made **and** such owners have the same relative interests in said association or organization as they had in the real property

immediately prior to said transfer and there is no consideration other than their respective interests in the new association or organization.

**Instructions:** If F.1 is checked, attach (i) a copy of the deed (or other instrument of conveyance) that evidences ownership of the property immediately prior to the transfer described above, and (ii) a copy of the corporate documents (such as state filings and corporate resolutions) that provide evidence of the reorganization, merger or consolidation of corporations or that provide evidence of the transfer from a subsidiary to a parent corporation for no consideration other than the cancellation or surrender of the subsidiary's stock.

If F.2 is checked, attach (i) a copy of the deed (or other instrument of conveyance) that evidences ownership of the property immediately prior to the transfer described above, and (ii) evidence of the ownership of the association or organization that was the grantee of the property, and (iii) such other documents or sworn statements as may provide evidence that the grantor(s) of the real property had the same relative interest in the association or organization as they had in the real property immediately prior to said transfer and that there was no consideration for the transfer other than their respective interests in the association or organization.

- G. \_\_\_\_\_. The transfer was made pursuant to a confirmed bankruptcy plan or pursuant to an order by a court of competent jurisdiction under the Bankruptcy Code or in an equity receivership proceeding.

**Instructions:** Attach a copy of the pertinent court documents.

- H. \_\_\_\_\_. The transfer was made and delivered without consideration for the purpose of confirming, correcting, modifying or supplementing a transfer previously recorded: making minor boundary adjustments; removing clouds of titles; or granting rights-of-way, easements or licenses.

**Instructions:** Attach a copy of the previously recorded deed and explain (below) the reason(s) for the confirmation, correction, modification, or supplementation of the prior transfer.

- I. \_\_\_\_\_. The deed or instrument of conveyance is in the form of a decree or order of a court of record that quiets,

determines or vests title, including any final order awarding title pursuant to a condemnation proceeding.

**Instructions:** Attach a copy of the court's order or decree.

- J. \_\_\_\_\_. The transfer was between spouses or former spouses and was made pursuant to a separation agreement, decree of legal separation or dissolution of marriage.

**Instructions:** Attach a copy of the separation agreement, or the decree of legal separation or dissolution of marriage.

- K. \_\_\_\_\_. The real property transferred was a cemetery lot.

**Instructions:** If the nature of the property as a cemetery lot is not obvious from the face of the deed or instrument of conveyance attached to the Real Property Transfer Declaration form, then attach written evidence of its nature as a cemetery lot.

- L. \_\_\_\_\_. The transfer was a lease of real property.

**Instructions:** Attach a copy of the lease agreement.

- M. \_\_\_\_\_. The transfer was to secure a debt or other obligation or to release real property that was security for a debt or other obligation.

**Instructions:** Attach a copy of the instrument of debt or other obligation that the property was transferred to secure or from which the property was released as security.

- N. \_\_\_\_\_. The transfer was by deed in lieu of foreclosure **and** the grantee of the deed is the same person (or entity) holding the obligation or instrument that is being cancelled, in whole or in part, in exchange for the transfer **and** the exemption sought is only as to the amount of the obligation that is being cancelled, in whole or in part, in exchange for the transfer.

**Instructions:** Attach a copy of the instrument or obligation being cancelled, in whole or in part, and evidence of the amount of the obligation being cancelled in exchange for the transfer.

- O. \_\_\_\_\_. The transfer was by (i) a sheriff's deed, trustee's deed or other conveyance of real property in connection with an execution sale, (ii) a foreclosure sale by a public trustee

under a power of sale, or (iii) a court decree foreclosing a mortgage, deed of trust or other security instrument or decree of lien foreclosure **and** the grantee is the person (or entity) holding the obligation or instrument upon which the proceeding is based and the exemption sought is only as to the amount of the obligation to be satisfied at the execution or foreclosure sale and any obligations to prior lien holders paid from the sale.

**Instructions:** Attach evidence of the type of proceeding by which the transfer was made, and a copy of the instrument or obligation upon which the proceeding is based, along with evidence of the amount of the obligation, and any obligations to prior lien holders, to be satisfied by the execution or foreclosure sale.

- P. \_\_\_\_\_. The transfer was by way of an executory contract for the sale of real property of less than three (3) years duration under which the purchaser is entitled to or does take possession thereof without acquiring title thereto, or any assignment or cancellation of any such contract. (Note that the Town's Real Estate Investment Fee must be paid when the vendee acquires title to the property).

**Instructions:** Attach a copy of the contract for the sale of the property.

- Q. \_\_\_\_\_. The transfer was to a qualified purchaser under the local exemption (Note: see § 160-12 of the Town Code for the definitions of the terms "qualified purchaser" and "local exemption.")

**Instructions:** Attach each of the following items and answer each of the following questions:

1. Evidence that the purchaser of the property has lived, for at least the last twelve(12) months, within the Town of Frisco or within one or more of the following subdivisions: Bills Ranch; Giberson Tract; Wiborg Park; Evergreen; Frisco Heights or Frisco Terrace **or** evidence that the purchaser is employed within the Town of Frisco on an average of at least thirty (30) hours per week (such average being determined on an annual basis for year-around employees and on a seasonal basis for seasonal employees.)

2. If the evidence provided in response to number 1 above is evidence of employment, than the purchaser must provide

evidence of the amount of earnings from employment in the form of copies of his or her pay checks from the previous two pay periods.

3. Evidence of employment for the previous twelve (12) month period, **or** evidence of enrollment as a full time student immediately prior to the date of transfer stated in section 5 above.

4. Do you hold title to any other residential real property?

Yes:\_\_\_\_\_ No:\_\_\_\_\_

5. Does any other person who lives in your household hold title to any other residential real property? Yes:\_\_\_\_\_ No:\_\_\_\_\_

6. Excluding your clothing, furnishings, automobiles and retirement accounts, do you have more than \$10,000 in assets?

Yes:\_\_\_\_\_ No:\_\_\_\_\_

7. Do you earn less than 120% of the Area Median Income? (For the purposes of this exemption, AMI shall be defined as the Summit County AMI, plus \$20,000)

Yes:\_\_\_\_\_ No:\_\_\_\_\_

8. Evidence of income not exceeding 120% of the Area Median Income (most recent income tax returns, W-2s, etc.)

R. \_\_\_\_\_. The real property transferred was an affordable housing unit.

**Instructions:** Attach a copy of the recorded residential housing restrictive covenant or other deed restriction, covenant or similar instrument.

**To complete this form, attach a copy of the document of conveyance (the deed or other instrument of conveyance) and written evidence of the consideration paid for the transfer (such as a copy of the cancelled check, or a copy of the settlement statement from the title company that conducted the closing).**



**This form must be signed by the grantor (seller) and grantee (buyer) of the subject real property.**

I hereby swear and affirm, under penalty for violation of Town Code §160-19, that all of the statements made herein are true and correct to the best of my knowledge. I hereby acknowledge that willful misstatements or omissions of information relevant to this application may result in my disqualification for the exemption sought and to possible civil or criminal liability. By my signature, I authorize the Town of Frisco, its agents and employees, to verify the information contained herein, to make separate investigation and to request additional related information if deemed by them to be necessary or appropriate:

\_\_\_\_\_  
(signature of grantor/seller)

\_\_\_\_\_  
(signature of grantee/buyer)

\_\_\_\_\_  
(printed name of grantor/seller)

\_\_\_\_\_  
(printed name of grantee/buyer)

Date: \_\_\_\_\_

Date: \_\_\_\_\_