

Riverside Crossing Active Adult Cottage Community

Occupancy Agreement

THIS AGREEMENT, made and entered into on _____, 20__ by and between Riverside Crossing Cooperative (hereinafter referred to as the "Cooperative"), a _____ corporation having its principal office and place of business in Hamilton, MT, and

(Hereinafter referred to as "Member");

WHEREAS, the Cooperative has been formed for the purpose of acquiring, owning and operating a cooperative housing community located at the Riverside Crossing with the intent that its members shall have the right to occupy a dwelling unit thereof under the terms and conditions hereinafter set forth; and

WHEREAS, the Member is the owner of one share of common stock in the Cooperative, holder of a certificate of membership in the Cooperative, and intends to reside in the community; and

WHEREAS, the Member has certified to the accuracy of the statements made in their application and family income, and agrees and understands that household income, composition and other eligibility requirements are substantial and material requirements of their initial and continuing occupancy.

NOW, THEREFORE, in consideration of one dollar to each of the parties paid by the other party, the receipt of which is hereby acknowledged, and in further consideration of the mutual promises contained herein, the Cooperative hereby lets to the Member, and the Member hereby hires and takes from the Cooperative, dwelling Unit # _____ which is located at:

TO HAVE AND TO HOLD said dwelling unit unto the Member, the Member's Executors, Administrators and authorized assigns, on the terms and conditions set forth herein and in the attached Statement of Intent to Incorporate a Cooperative Association as well as in the By- laws of the Cooperative and any rules and regulations of the Cooperative now or hereafter adopted pursuant thereto, from the date of this agreement, for a term of one year, renewable thereafter for successive annual periods under the conditions provided herein.

PRIOR TO THE EXECUTION of this Occupancy Agreement the Board of Directors of the Cooperative has approved the Member for membership.

COMMENCING on _____, 20__ the Member agrees to pay to the Cooperative a monthly sum referred to herein as "Monthly Carrying Charges."

UNTIL FURTHER NOTICE from the Cooperative, the Monthly Carrying Charges for the above dwelling unit shall be \$ _____.

THE MEMBER REPRESENTS that the following persons shall occupy the dwelling unit:

NAME _____
DOB _____

NAME _____
DOB _____

NAME _____
DOB _____

THE COOPERATIVE DISCLOSES that the cooperative is managed by RCCOA Senior Housing Development Company LLC, and that its employees and agents are authorized to accept payments on behalf of the Cooperative.

ARTICLE 1. MONTHLY HOUSING CHARGES AND FEES

Commencing on the date stated in the Occupancy Agreement the Member agrees to pay to the Cooperative "Monthly Carrying Charges" determined by the square footage of the dwelling and the member's proportionate share of the sum required by the Cooperative as estimated by its Board of Directors to meet its annual expenses pertaining to the community or other facilities which the Member is entitled to use, including but not limited to the following items:

- (a) The cost of all operating expenses of the project and services furnished.
- (b) The cost of necessary management and administration of the Cooperative.
- (c) The cost of any utility provided by the Cooperative.
- (d) The amount of all taxes and assessments levied against the Cooperative that it is required to pay.
- (e) The cost of basic homeowner's insurance premiums.
- (f) The cost of fire and extended coverage insurance and such other insurance as the Cooperative may put into effect or as may be required by any mortgagee.
- (g) All reserves set up by the Board of Directors, including the General Operating Reserves and the Reserves for Replacements.
- (h) The estimated cost of repairs.
- (i) The amount of mortgage principal, interest and insurance premiums and other payments required on the mortgage (s) of the Cooperative.
- (j) Any expense of the Cooperative approved by the Board of Directors, including operating deficiencies, if any, for prior periods.

THE BOARD OF DIRECTORS shall determine the amount of the Monthly Carrying Charges annually, but may do so at more frequent intervals should circumstances so require. No member shall be charged with more than his proportionate share thereof computed as the unit value factor as determined by the Board of Directors.

ARTICLE 2. MEMBER'S OPTION FOR AUTOMATIC RENEWAL

It is covenanted and agreed that the term herein granted shall be extended and renewed from time to time by and against the parties hereto for a period of one year from the expiration of the term herein granted, upon the same covenants and agreements as herein contained unless: (1) notice of the Member's election not to renew shall have been given to the Cooperative in writing at least two months prior to the expiration of the then current term, and (2) the Member shall have on or before the expiration of said term (a) endorsed their membership certificate and stock certificate for transfer in blank and deposited same with the Cooperative, and (b) met all their obligations and paid all amounts due under this agreement up to the time of said expiration, and (c) vacated the premises, leaving same in good state of repair. Upon compliance with provisions (1) and (2) of this Article, the Member shall have no further liability under this agreement and shall be entitled to no payment from the Cooperative.

ARTICLE 3. PREMISES TO BE USED FOR RESIDENTIAL PURPOSES ONLY

A. The Member shall occupy the dwelling unit covered by this agreement as a private dwelling unit for themselves and/or their immediate family and for no other purpose, and may enjoy the use in common with other members of the cooperative all community property and facilities of the entire cooperative community so long as the Member continues to own one share of common stock, hold a cooperative membership certificate, occupy their dwelling unit, and abide by the terms of this agreement.

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B. The Member represents that the dwelling unit shall be occupied only by the persons listed above and that no additional persons, adult or minor shall be added to the Member's household without the prior written consent of the Board of Directors.

C. The Member shall not permit or suffer anything to be done or kept upon said premises that will increase the rate of insurance on the building, or on the contents thereof, or that will obstruct or interfere with the rights of other occupants or annoy them by unreasonable noises or otherwise, nor will they commit or permit any nuisance on the premises or commit or suffer any immoral or illegal act to be committed thereon. The Member shall comply with all of the requirements of the Board of Health and of all other governmental authorities with respect to the said premises. If by reason of the occupancy or use of said premises by the Member the rate of insurance on the building shall be increased, the Member shall become personally liable for the additional insurance premiums.

ARTICLE 4. MEMBER'S RIGHT TO PEACEABLE POSSESSION

In return for the Member's continued fulfillment of the terms and conditions of this agreement, the Cooperative covenants that the Member may at all times while this agreement remains in effect, have and enjoy for their sole use and benefit the dwelling unit herein above described, after obtaining occupancy, and may enjoy in common with all other members of the Cooperative the use of all community property and facilities of the cooperative.

ARTICLE 5. NO SUBLETTING WITHOUT CONSENT OF COOPERATIVE

The Member hereby agrees not to assign this agreement or to sublet their dwelling unit without the written consent of the Cooperative. The liability of the Member under this Occupancy agreement shall continue notwithstanding the fact that they may have sublet the dwelling unit with the approval of the Cooperative and the Member shall be responsible to the Cooperative for the conduct of his sub lessee. Any unauthorized subleasing shall, at the option of the Cooperative, result in the termination and forfeiture of the Member's rights under this Occupancy Agreement. Non-paying guests of the Member may occupy Member's unit under such conditions as may be prescribed by the Board of Directors.

ARTICLE 6. TRANSFERS

Neither this agreement nor the Member's right of occupancy shall be transferable or assignable except in the same manner as may now or hereafter be provided for the transfer of membership in the By-Laws of the Cooperative. The Member hereby certifies that neither they nor anyone authorized to act for them will refuse to sell their membership, after the making of a bona fide offer, or refuse to negotiate for the sale of, or otherwise make unavailable or deny the membership to any person because of race, color, religion, sex, national origin, handicap, or familial status. Any restrictive covenant on cooperative property relating to race, color, religion, sex, national origin, handicap, or familial status is recognized as being illegal and void and is hereby specifically disclaimed. Civil action for preventive relief may be brought by the Attorney General in any appropriate U.S. District Court against any person responsible for a violation of this certification.

ARTICLE 7. MANAGEMENT, TAXES, AND INSURANCE

The Cooperative shall provide necessary management, operation and administration of the project; pay or provide for the payment of all taxes or assessments levied against the project; procure and pay or provide for the payment of fire insurance and extended coverage, and other insurance as required by any mortgage on property in the project, and such other insurance as the Cooperative's Board of Directors may deem advisable. If an insured loss is caused by Member's negligence or abuse, then Member shall reimburse the cooperative for, an amount not to exceed the cooperative's deductible amount that is in force at the time of the loss.

ARTICLE 8. UTILITIES AND APPLIANCES

(a) BY MEMBER.

1. The Member shall pay directly to the supplier for telephone, cable, internet service, and other utilities not otherwise provided by the Cooperative.
2. The Member shall furnish all window coverings, shades or interior shutters.
3. The Member shall furnish an approved Renters Insurance Policy

(b) BY COOPERATIVE. (Through Monthly Carrying Charge)

1. The Cooperative shall pay for, water, sewer, trash, and the stipend amounts for gas & electric. Any amount over stipend will be charged to Member. Any amount under stipend will be refunded or credited.
2. The Cooperative shall provide and maintain a central heating and cooling system, water heater, and appliances in the dwelling unit. (See Appliance replacement schedule)
3. The Cooperative shall provide and maintain the plumbing and electrical systems, exclusive of any alterations made by the Member.
4. The Cooperative shall provide for grounds maintenance in amounts that it deems reasonable, except that the Member shall maintain general order and cleanliness in the area immediately surrounding the dwelling unit.

ARTICLE 9. REPAIRS

(a) BY MEMBER. The Member agrees to repair and maintain their dwelling unit at their own expense as follows:

1. Any repairs or maintenance to private dwellings or common areas necessitated by their own negligence or misuse.
2. Any maintenance or redecoration of their own dwelling unit, including exterior and interior doors, flooring, floor covering, decorations of interior walls, ceilings, trim, plumbing fixtures, electrical fixtures, appliances and cabinetry, approved by the board of directors.
3. Any repairs, maintenance or replacements required on items not furnished by the Cooperative.

(b) BY COOPERATIVE. The Cooperative shall provide and pay for all necessary repairs, maintenance and replacements, except as specified in clause (a) of this Article. The officers and employees of the Cooperative shall have the right to enter the dwelling unit of the Member in order to effect necessary repairs, maintenance, and replacements, and to authorize entrance for such purposes by employees of any contractor, utility company, municipal agency, or others, at any reasonable hour of the day and in the event of emergency at any time.

(c) RIGHT OF COOPERATIVE TO MAKE REPAIRS AT MEMBER'S EXPENSE. In case the Member shall fail to effect the repairs, maintenance, or replacements specified in clause (a) of this Article in a manner satisfactory to the Cooperative and pay for same, the latter may declare a default under the terms of Article 11 herein or may effect the repairs and add the cost thereof to the Member's next Monthly Housing Charges payment.

(d) The Member agrees that in the event of a loss to their own or any other property of the Cooperative, which is caused by the Member, a member of their household, or any of their guests, Member shall pay for the cost of any and all repairs to damages that are not otherwise reimbursed to the Cooperative.

ARTICLE 10. INSURED CLAIMS

Member hereby waives all claims, causes of actions and rights of recovery against the Cooperative and its officers, agents and employees, for any death, bodily or personal injury, or damage to or destruction of property, including but not limited to Member's property, which shall occur in or about the dwelling unit and shall result from any of the perils insured under any and all policies of insurance maintained by Member, regardless of cause, including the negligent or intentional wrongdoing of the Cooperative or its officers, agents, or employees.

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ARTICLE 11. INDEMNIFICATION

Member hereby agrees to indemnify and hold the Corporation harmless from any and all claims, damages, liabilities or expenses arising out of (a) Member's or Member's guests' use of the dwelling unit or the project, (b) any and all claims arising from any breach or default in the performance of any obligation of Member, or (c) any act, omission or negligence of Member or Member's guests, agents or employees.

ARTICLE 12. ESTOPPEL CERTIFICATE

At any time and from time to time, Member, on or before the date specified in a request therefore made by the Cooperative, which date shall not be earlier than ten (10) days from the making of such request, shall execute, acknowledge and deliver to the Cooperative a certificate evidencing whether or not (i) this agreement is in full force and effect, (ii) this agreement has been amended in any way, (iii) there are any existing defaults on the part of the Cooperative hereunder to the knowledge of Member and specifying the nature of such defaults, if any, and (iv) the date to which Monthly Carrying Charges, and other amounts due hereunder, if any, have been paid. Each certificate delivered pursuant to this Paragraph may be relied on by any prospective purchaser or transferee of the Cooperative's interest hereunder or of any part of the project.

ARTICLE 13. MISCELLANEOUS

This agreement shall be construed and interpreted under the laws of the State of Montana. The title of sections and subsections herein have been inserted as a matter of convenience of reference only and shall not control or affect the meaning or construction of any of the terms or provisions herein. All references herein to the singular shall include the plural, and vice versa. Neither the failure of either party to exercise any power given such party hereunder or to insist upon strict compliance by the other party with its obligations hereunder, nor any custom or practice of the parties at variance with the terms hereof shall constitute a waiver of either party's right to demand exact compliance with the terms hereof. No amendment to this agreement shall be binding on any of the parties hereto unless such amendment is in writing and is executed by the party against whom enforcement of such amendment is sought. Time is of the essence of this agreement. This agreement may be executed in several counterparts, each of which shall be deemed an original, and all such counterparts together shall constitute one and the same instrument. The representations, warranties, definitions, and agreements set forth in this agreement shall survive.

ARTICLE 14. ALTERATIONS AND ADDITIONS

The Member shall not, without the written consent of the Cooperative, make any structural alterations in the premises or in the electrical conduits, plumbing or other fixtures connected therewith, or remove any additions, improvements, or fixtures from the premises. If the Member for any reason shall cease to be an occupant of the premises they shall surrender to the Cooperative possession thereof, including any alterations, additions, fixtures and improvements.

The Member shall not, without the prior written consent of the Cooperative, install or use in their dwelling unit any appliances or other equipment which exceeds the capabilities of the gas, electrical, or plumbing system of the dwelling unit. The Member agrees that the Cooperative may require the prompt removal of any such equipment at any time, and that their failure to remove such equipment upon request shall constitute a default within the meaning of Article 15 of this agreement.

ARTICLE 15. DEFINITION OF DEFAULT BY MEMBER AND EFFECT THEREOF

It is mutually agreed as follows: Member shall be in default hereunder should any one or more of the events specified in clauses (a) to (n) of this Article occur and should said default not be cured within ten (10) days following written notice by the Cooperative to Member of such default. Should such a default occur and remain uncured, then the Cooperative, at its option, may terminate this agreement, in which case all of the Member's rights hereunder will expire on the date specified in the written notice from the Cooperative to the Member, and, in addition to any other rights and remedies it may have, the

Cooperative shall have the option to exercise any one or more of the following remedies, it being agreed that pursuit of any remedy provided in this agreement shall not preclude pursuit of any other remedy or remedies herein provided or provided by law, and that any of such remedies may be pursued regardless of whether or not the default continues to exist and whether or not the Cooperative accepts or has accepted payment of Monthly Carrying Charges subsequent to the occurrence of such default:

- (1) The Cooperative may terminate this agreement, in which event Member shall immediately surrender possession of the dwelling unit to the Cooperative and the Cooperative may re-enter the dwelling unit and remove all persons and personal property therefrom, either by summary dispossessory proceedings or by suitable action or proceeding at law or in equity or by any other proceedings which may apply to the eviction of tenants by force or otherwise, and repossess the dwelling unit in its former state as if this agreement had not been made, and the Cooperative may use such force as may be necessary, without being guilty of trespass, forcible entry, detainer or other tort; and
- (2) The Cooperative may bring an action for monetary damages against Member; and
- (3) The Cooperative may pursue any and all other rights and remedies available at law or in equity.
 - (a) In case at any time during the term of this agreement Member shall cease to be the owner and legal holder of a membership of the Cooperative.
 - (b) In case the Member attempts to transfer or assign this agreement in a manner inconsistent with the provisions of the By Laws.
 - (c) In case at any time during the continuance of this agreement the Member shall be declared bankrupt under the laws of the United States.
 - (d) In case at any time during the continuance of this agreement a receiver of the Member's property shall be appointed under any of the laws of the United States or of any State.
 - (e) In case at any time during the continuance of this agreement the Member shall make a general assignment for the benefit of creditors.
 - (f) In case at any time during the continuance of this agreement the membership rights of the Member in the Cooperative shall be duly levied upon and sold under the process of any Court.
 - (g) In case the member shall fail to allow entrance to the dwelling unit as further defined in Article 18 herein below.
 - (h) In case the member shall fail to comply with cooperative regulations as defined in Article 16 herewith.
 - (i) In case the Member fails to effect and/or pay for repairs and maintenance as provided for in Article 9 hereof.
 - (j) In case the Member fails to pay any sum due pursuant to the provisions of Article 1 or Article 8 hereof, or shall fail to pay any charge which, if not paid, could become a Lien against the property of the Cooperative.
 - (k) In case the Member shall default in the performance of any of their obligations under this agreement.
 - (l) In case at any time during the term of this agreement, the Member fails to comply promptly with all requests by the Cooperative or any government agency for information and certifications concerning the total current income of the Member's family and other eligibility requirements for assistance payments from any governmental or private agency.

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The Member hereby expressly waives any and all right of redemption in case he shall be dispossessed by judgment or warrant of any Court or judge; the words "enter," "re-enter," and "re-entry," as used in this agreement are not restricted to their technical legal meaning, and in the event of a breach or threatened breach by the Member of any of the covenants or provisions hereof, the Cooperative shall have the right of injunction and the right to invoke any remedy allowed at law or in equity, as if re-entry, summary proceedings, and other remedies were not herein provided for.

The Member acknowledges that this Occupancy Agreement is the legal equivalent of a lease or rental agreement and that it necessarily establishes a Landlord/Tenant relationship between the Cooperative Board of Directors and the Member. In view of this relationship, the Member expressly agrees that the Cooperative shall have available to it such legal remedy or remedies as are available to a landlord in the event of a breach or threatened breach by the Member of any covenant or provision in this Agreement.

The failure on the part of the Cooperative to avail itself of any of the remedies given under this agreement shall not waive or destroy the right of the Cooperative to avail itself of such remedies for similar or other breaches on the part of the Member.

ARTICLE 16. MEMBER TO COMPLY WITH ALL COOPERATIVE REGULATIONS: Exhibit A

The Member covenants that they will preserve and promote the cooperative ownership principles on which the Cooperative has been founded, abide by the Statement of Intent, Bylaws, rules and regulations of the Cooperative and any amendments thereto, and by their acts of cooperation with its other members bring about for themselves and their co-members a high standard in home and community conditions. The member acknowledges receipt of the rules and regulations now in effect, as set forth in Exhibit A attached hereto and incorporated herein, and the Cooperative agrees to make any changes in its rules and regulations known to the Member by delivery of same to them or by promulgating them in such other manner as to constitute adequate notice.

ARTICLE 17. EFFECT OF FIRE LOSS ON INTERESTS OF MEMBERS

In the event of loss or damage or condemnation by fire or other casualty to the above-mentioned dwelling unit without the fault or negligence of the Member, the Cooperative shall determine whether to restore the damaged premises and shall further determine, in the event such premises are not restored, the amount to be paid to the Member to redeem the membership of the Member and to reimburse them for such loss as they may have sustained.

If, under such circumstances, the Cooperative determines to restore the premises, Monthly Housing Charges shall abate wholly or partially as determined by the Cooperative until the premises have been restored. If on the other hand, the Cooperative determines not to restore the premises, the Monthly Housing Charges shall cease from the date of such loss or damage.

ARTICLE 18. INSPECTION OF DWELLING UNIT

The Member agrees that the representatives of any mortgagee holding a mortgage on the property of the Cooperative, the officers and employees of the Cooperative, and with the approval of the Cooperative the employees of any contractor, utility company, municipal agency or others, shall have the right to enter the dwelling unit of the Member and make inspections thereof at any reasonable hour of the day and at any time in the event of an emergency.

ARTICLE 19. SUBORDINATION CLAUSE

It is specifically understood and agreed by the parties hereto that this agreement and all rights, privileges and benefits hereunder are and shall be at all times subject to and subordinate to the Lien of a first mortgage or deed of trust and the accompanying documents executed by the Cooperative and to any and all modifications, extensions and renewals thereof and to any mortgage or deed of trust which may at any time hereafter be placed on the project or any part thereof. The Member hereby agrees to execute, at the Cooperative's request and expense, any instrument which the Cooperative or any lender may deem necessary or desirable to effect the subordination of this agreement to any such mortgage or deed of trust, and the Member hereby

appoints the Cooperative and each and every officer thereof, and any future officer, their irrevocable attorney-in-fact during the term hereof to execute any such instrument on behalf of the Member. The Member does hereby expressly waive any and all notices of default and notices of foreclosure of said mortgage that may be required by law.

In the event a waiver of such notices is not legally valid, the Member does hereby constitute the Cooperative as their agent to receive and accept such notices on the Member's behalf.

ARTICLE 20. LATE CHARGES AND OTHER COSTS IN CASE OF DEFAULT

The Member covenants and agrees that, in addition to the other sums that have become or will become due, pursuant to the terms of this agreement, the Member shall pay to the Cooperative a late charge in an amount to be determined from time to time by the Board of Directors for each payment of Monthly Housing Charges, or part thereof, more than 10 days in arrears.

If a Member defaults in making a payment of Monthly Housing Charges or in the performance or observance of any provision of this agreement, and the Cooperative has obtained the services of any attorney with respect to the defaults involved, the Member covenants and agrees to pay to the Cooperative any costs or fees involved, including reasonable attorney's fees, notwithstanding the fact that a suit has not yet been instituted. In case a suit is instituted, the Member shall pay the cost of the suit, in addition to other aforesaid cost and fees.

ARTICLE 21. NOTICES

Whenever the provisions of law or the Bylaws of the Cooperative or this agreement require notice to be given to either party hereto, any notice by the Cooperative to the Member shall be deemed to have been duly given, and any demand by the Cooperative upon the Member shall be deemed to have been duly made if the same is delivered to the Member at their unit or to the Member's last known address; and any notice or demand by the Member to the Cooperative shall be deemed to have been duly give if delivered to an officer of the Cooperative. Such notice may also be given by depositing same in the United States mails addressed to the Member as shown in the books of the Cooperative, or to the President of the Cooperative, as the case may be, and the time of mailing shall be deemed to be the time of giving of such notice.

ARTICLE 22. ORAL REPRESENTATION NOT BINDING

No representations other than those contained in this agreement, the Statement of Intent and the Bylaws of the Cooperative shall be binding upon the Cooperative.

ARTICLE 23. REMEDIES

The exercise of any of the rights or remedies as herein provided with respect to any default shall not preclude or affect the subsequent exercise of such rights or remedies at different times for different defaults.

The respective rights or remedies, whether provided by this agreement or by law, or available in equity, shall be cumulative and the exercise of any one or more of such rights or remedies shall not preclude or affect the exercise, at the same or at different times, or any other such rights or remedies for the same or different failures of the Member to perform or observe any provision of this agreement.

ARTICLE 24. SPECIAL STIPULATIONS

The following Special Stipulations shall control in the event of conflict with any of the foregoing:

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be signed and sealed the day and year written below.

Member

By _____ / / _____