

Riverside Crossing, an Active Adult Cottage Cooperative

Occupancy Agreement

THIS AGREEMENT, made and entered into on _____, 20____ by and between Riverside Crossing, an Active Adult Cottage Cooperative (hereinafter referred to as the "Co- Op"), a Montana Corporation having its principal office and place of business in Hamilton, MT, and

Hereinafter referred to as "Member");

WHEREAS, the Co-Op has been formed for the purpose of acquiring, owning, and operating a cooperative housing community known as the Riverside Crossing, an Active Adult Cottage Cooperative with the intent that its Members shall have the right to occupy a cottage and attached or assigned garage thereof under the terms and conditions hereinafter set forth; and

WHEREAS, the Member is the owner of one share of common stock in the Co-Op, holder of a certificate of membership in the Co-Op, 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 Co-Op hereby delivers to the Member, and the Member hereby hires and takes from the Co-Op, Cottage # _____ which is located at:

TO HAVE AND TO HOLD said cottage unto the Member, the Member's Executors, Administrators, and authorized assigns, on the terms and conditions set forth in the By-laws of the Co-Op and the Rules and Regulations of the Co-Op, now or hereafter adopted, 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 Co-Op has approved the Member for membership.

COMMENCING on _____, 20____, the Member agrees to pay to the Co-Op a monthly sum referred to herein as "Monthly Service Fee". New Monthly Service Fee totals (Attachment A) will be provided to the Member no later than December 20th. The signed Attachment A must be returned by December 31st. The new amount will begin on January 1st of each year. A final accounting for the prior year, including excesses or shortfalls, will be provided by January 31. Overages will be returned, or shortfalls must be paid within 30 days of the receipt of the final accounting.

THE MEMBER REPRESENTS that the following persons shall occupy the cottage:

NAME _____
_____ DOB _____

NAME _____
_____ DOB _____

NAME _____
_____ DOB _____

Riverside Crossing, an Active Adult Cottage Cooperative

THE COOPERATIVE DISCLOSES that the Co-Op is managed by the Board of Directors and contracts with the RCCOA Senior Housing Development Company LLC, to provide financial and project management services to the Co-op. Contractors, employees, and agents are authorized to accept payments on behalf of the Co-op.

ARTICLE 1. MONTHLY SERVICE FEE

Commencing on the date stated in the Occupancy Agreement the Member agrees to pay to the Co-Op a "Monthly Service Fee" determined by the square footage of the cottage and garage and the Member's proportionate share of the sum required by the Co-Op 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 Co-Op.
- (c) The cost of any utility provided by the Co-Op.
- (d) The amount of all taxes and assessments levied against the Co-Op that it is required to pay.
- (e) The allocated cost of the commercial insurance policy which includes coverage for the listed cottage above.
- (f) The cost of fire and extended coverage insurance and such other insurance as the Co-Op 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 & Capital Repairs and Maintenance Reserves.
- (h) The estimated cost of repairs.

- (i) The amount of any mortgage principal, interest and insurance premiums and other payments required on a mortgage(s) of the Co-Op executed by the Board of Directors and approved by the Members.
- (j) Any expense of the Co-Op 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 Service Fees 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. AUTOMATIC RENEWAL

It is covenanted and agreed that the term herein granted shall be extended and renewed each calendar year with the new Monthly Service Fee amounts provided to each Member for review prior to implementation. Members have a right to review and protest Monthly Service Fee amounts but must pay a minimum of the prior year's monthly allotment until an agreed amount is decided. Any shortfalls must be eliminated the month following the new agreed upon monthly amount.

ARTICLE 3. COTTAGES TO BE USED FOR RESIDENTIAL PURPOSES ONLY

- A. The Member shall occupy the Cottage covered by this Agreement as a private dwelling, and for no other purpose, and may enjoy, in common with other Members of the Co-Op, all property and facilities of the entire Co-Op community so long as the Member is in good standing and abides by the terms of this Agreement.

Riverside Crossing, an Active Adult Cottage Cooperative

ARTICLE 3. COTTAGES TO BE USED FOR RESIDENTIAL PURPOSES ONLY *(continued)*

- B. The Member represents that the cottage 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 cottage or other building, or on the contents thereof, or that will obstruct or interfere with the rights of other Members 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 Co-Op covenants that the Member may at all times while this Agreement remains in effect, have and enjoy for their sole use and benefit the cottage herein above described, after obtaining occupancy, and may enjoy in common with all other Members of the Co-Op the use of all community property and facilities of the Co-Op.

ARTICLE 5. NO SUBLETTING WITHOUT CONSENT OF COOPERATIVE

The Member hereby agrees not to assign this Agreement or to sublet their cottage without the written consent of the Co-Op. The liability of the Member under this Occupancy Agreement shall continue notwithstanding the fact that they may have sublet the cottage with the approval of the Co-Op and the Member shall be responsible to the Co-Op for the conduct of his sublessee. Any unauthorized subleasing shall, at the option of the Co-Op, 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 cottage under such conditions set forth by Rules and Regulations and approved by the Board or Co-Op management.

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 Co-Op. 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 Co-Op 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.

Riverside Crossing, an Active Adult Cottage Cooperative

ARTICLE 7. MANAGEMENT, TAXES, AND INSURANCE

The Co-Op 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 Co-Op's Board of Directors may deem advisable. If an insured loss is caused by Member's negligence or abuse, then Member shall reimburse the Co-Op an amount not to exceed the Co-Op's deductible amount that is in force at the time of the loss, any costs not covered by insurance, and any increase in the cost of insurance attributable to said negligence or abuse.

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 Co-Op.
2. The Member shall furnish all window coverings, shades or interior shutters and any screen doors.
3. The Member shall furnish a copy of the Declaration page of their Tenants Occupancy Insurance Policy annually.

(b) BY COOPERATIVE (Through Monthly Service Fee).

1. The Co-Op shall pay charges 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 Co-Op shall provide and maintain a central heating and cooling system, water heater, and appliances in the cottage.
3. The Co-Op shall provide and maintain the plumbing and electrical systems, exclusive of any alterations made by the Member.
4. The Co-Op 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 their cottage.

ARTICLE 9. REPAIRS

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

1. Any repairs or maintenance to cottage or common areas necessitated by negligence or misuse, with repairs or maintenance consistent with standards established by the Board of Directors and approved by Riverside Crossing/RCCOA Sr. Housing Dev. Co.
2. Any maintenance or redecoration of their own cottage, 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 Co-Op.

Riverside Crossing, an Active Adult Cottage Cooperative

ARTICLE 9. REPAIRS *(continued)*

(b) BY COOPERATIVE. The Co-Op shall provide and pay, through the Repairs and Maintenance, or Capital Repairs and Maintenance fund, depending on repair, for all necessary repairs, maintenance and replacements, except as specified in clause (a) of this Article. The officers and employees of the Co-Op shall have the right to enter the cottage 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 Co-Op 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 Service Fee payment.

(d) LOSES REIMBURSED BY MEMBER. The Member agrees that in the event of a loss to their own or any property of the Co-Op, 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 Co-Op.

ARTICLE 10. INSURED CLAIMS

Member hereby waives all claims, causes of actions and rights of recovery against the Co-Op 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 cottage and shall result from any of the perils

insured under any and all policies of insurance maintained by Member.

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 cottage 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 Co-Op, which date shall not be earlier than ten (10) days from the making of such request, shall execute, acknowledge and deliver to the Co-Op 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 Co-Op hereunder to the knowledge of Member and specifying the nature of such defaults, if any, and (iv) the date to which Monthly Service Fee, 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 Co-Op'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 effect 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.

Riverside Crossing, an Active Adult Cottage Cooperative

ARTICLE 13. MISCELLANEOUS *(continued)*

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 Co-Op, 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 Co-Op possession thereof, including any alterations, additions, fixtures and improvements.

The Member shall not, without the prior written consent of the Co-Op, install or use in their cottage any appliances or other equipment which exceeds the capabilities of the gas, electrical, or plumbing system of the cottage. The Member agrees that the Co-Op 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 (l) of this Article occur and should said default not be cured within ten (10) days following written notice by the Co-Op to Member of such default. Should such a default occur and remain uncured, then the Co-Op, 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 Co-Op to the Member, and, in addition to any other rights and remedies it may have, the Co-Op 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 Co-Op accepts or has accepted payment of the Monthly Service Fee subsequent to the occurrence of such default:

- (1) The Co-Op may terminate this Agreement, in which event Member shall immediately surrender possession of the cottage to the Co-Op and the Co-Op may enter the cottage 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 cottage in its former state as if this Agreement had not been made, and the Co-Op may use such force as may be necessary, without being guilty of trespass, forcible entry, detainer or other tort; and

Riverside Crossing, an Active Adult Cottage Cooperative

ARTICLE 15. DEFINITION OF DEFAULT BY MEMBER AND EFFECT THEREOF *(continued)*

- (2) The Co-Op may bring an action for monetary damages against Member; and
- (3) The Co-Op 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 a legal holder of a membership in the Co-Op.
 - 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 Co-Op 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 cottage as further defined in Article 18 herein below.
 - h. In case the Member shall fail to comply with Co-Op Rules and 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 Co-Op.
- 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 Co-Op 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.

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 Co-Op 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 Co-Op Board of Directors and the Member. In view of this relationship, the Member expressly agrees that the Co-Op 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.

Riverside Crossing, an Active Adult Cottage Cooperative

ARTICLE 15. DEFINITION OF DEFAULT BY MEMBER AND EFFECT THEREOF *(continued)*

The failure on the part of the Co-Op to avail itself of any of the remedies given under this Agreement shall not waive or destroy the right of the Co-Op 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 RULES AND REGULATIONS:

The Member covenants that they will preserve and promote the Co-Op ownership principles on which the Co-Op has been founded, abide by the Rules and Regulations of the Co-Op 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, and the Co-Op 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 cottage without the fault or negligence of the Member, the Co-Op 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 Co-Op determines to restore the premises, Monthly

Service Fee shall abate wholly or partially as determined by the Co-Op until the premises have been restored. If on the other hand, the Co-Op determines not to restore the premises, the Monthly Service Fee shall cease from the date of such loss or damage.

ARTICLE 18. INSPECTION OF COTTAGE

The Member agrees that the representatives of any mortgagee holding a mortgage on the property of the Co-Op, the officers and employees of the Co-Op, and with the approval of the Co-Op the employees of any contractor, utility company, municipal agency or others, shall have the right to enter the cottage 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 Co-Op 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 Co-Op's request and expense, any instrument which the Co-Op 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 Co-Op 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.

Riverside Crossing, an Active Adult Cottage Cooperative

ARTICLE 19. SUBORDINATION CLAUSE

(continued)

In the event a waiver of such notices is not legally valid, the Member does hereby constitute the Co-Op 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 Co-Op a late charge in an amount to be determined by the Board of Directors not to exceed 20% of current Monthly Service Fee for each payment of Monthly Service Fee, or part thereof, more than 10 days in arrears.

If a Member defaults in making a payment of Monthly Service Fee or in the performance or observance of any provision of this Agreement, and the Co-Op has obtained the services of any attorney with respect to the defaults involved, the Member covenants and agrees to pay to the Co-Op 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 Co-Op or this Agreement require notice to be given to either party hereto, any notice by the Co-Op to the Member shall be deemed to have been duly given, and any demand by the Co-Op upon the Member shall be deemed to have been duly made if the same is delivered to the Member at their cottage or to the Member's last known address; and any notice or demand by the Member to the Co-Op shall be deemed to have been duly give if delivered

to an officer of the Co-Op. 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 Co-Op, or to the Chair of the Co-Op, 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 Co-Op shall be binding upon the Co-Op.

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:

Riverside Crossing, an Active Adult Cottage Cooperative

ARTICLE 25. SALE OF SHARE AND LEASEHOLD INTEREST

The sale process applies to Members, Trustees, and Personal Representatives (hereinafter “Member”). There will be no exceptions, unless approved by a Board majority in writing.

- a) Member must notify the Board of the intention to sell.
- b) Member may select a Realtor. Realtor must meet with a Board member(s) to become familiar with the Co-Op model and Riverside Crossing, an Active Adult Cottage Cooperative in particular.
- c) Member will set the asking sale price, inclusive of the \$50,000 Share cost, as long as Member remains in good standing.
- d) Board Chair or Co-Chair must sign all documents on behalf of Co-Op, and Member will sign in their own capacity.
- e) General Manager and a member of the Building and Grounds Committee, along with Member and/or their representative, e.g. Realtor, will do a cottage and garage walk-through to determine repairs, maintenance, and cleaning necessary to bring the property up to Co-Op standards. All repairs, maintenance, and cleaning will be covered by the Repair and Maintenance line item of the Monthly Service Fee or, if the Repair and Maintenance line item contains insufficient funds, by payment to Co-Op when work is completed. Any disagreement of necessary repairs between Member and General Manager or Building and Grounds Committee may be appealed by Member to Board of Directors.
- f) Member must be in good standing with Co-Op and continue to pay Monthly Service Fees to direct the sale process. If Monthly Service Fees become delinquent by 30 calendar days, the Board will notify Member in writing of delinquency and Member will have five business days to remedy delinquency. If the delinquency is not remedied, Co-Op, through the Board of Directors, will replace Member and direct the sale, including the asking price determination and negotiations. This action is irreversible.
- g) Interested buyers will provide a \$50,000 refundable check for the Share portion of the sale price. The check will be held in escrow by the chosen title company until the potential Member is approved by Co-Op. Approval includes submitting the Membership Application, Financial Disclosure Forms, meeting with Membership Committee, and successful completion of the relevant processes. After approval, a closing date can be scheduled and Settlement Statement provided.
- h) At closing, the Share certificate will be transferred to the new Member. The new Member must sign the Occupancy Agreement, along with Attachment A, and will be issued a new Share certificate with a value of \$50,000 and a Membership Certificate for the remaining value. A Warranty Deed will be filed with the county clerk and recorder to record the new Member’s leasehold interest in the cottage.
- i) Any outstanding Monthly Service Fees, late charges, amounts due for repairs and maintenance, and other costs will be accounted for on the Settlement Statement and paid to Co-Op from the sale proceeds. The remaining sale proceeds will be distributed to selling Member. As soon as reasonable after receipt of final utility bills, selling Member will be refunded any overage remaining in Monthly Service Fee account.

Riverside Crossing, an Active Adult Cottage Cooperative

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

Co-op:

_____ Date _____

Riverside Crossing, an Active Adult Cottage
Cooperative Chair or Co- Chair

Member(s):

_____ Date _____

_____ Date _____