

Q&A for Co-op Applicants

1. What is a co-operative?

A co-operative is a group of people who form a corporation so as to provide a service for themselves. In a co-operative the service provided is affordable housing, and the residents are members of the corporation.

The members elect a Board of Directors from among themselves. The members authorize the Board to conduct the day to day business of the co-operative in a manner that satisfies all the requirements of it's Charter, Agreements and Policies.

2. The Co-operative Principles:

- * open and voluntary membership
- * return of any surplus to the members
- * democratic control
- * co-operative education
- * co-operation among co-operatives

3. Who owns the co-operative? Who is the landlord?

The Co-operative Corporation is the owner and landlord. That means that each member...by virtue of membership and voting rights in the business of the corporation...is a part owner. However the members do not own their individual units. They cannot buy or sell individual units. They may not sublet. But they are guaranteed exclusive rights to occupy their unit as long as they continue to respect and abide by the Charter, Bylaws, Agreements and Policies of the co-operative.

4. How is a co-op different from other rental property.

There are important differences. Co-operatives operate on a break even basis. There is no provision for an outside owner or landlord, so the income derived from the "rent" needs only to be adequate to cover the co-op's real expenses.

The care that members take of their assigned units and the careful planning that they do for long-term maintenance can affect the co-op's costs.

In social terms, the co-op's goal is to become a community where people can feel comfortable and "at home," where living is more than existing within four walls. They can do this by organizing social and sporting events, special interest groups and liason with other co-operatives.

5. What kind of lease or agreement do we sign?

In a co-op there is no "lease" in the ordinary understanding of that word. Instead there is a perpetual lease on a specific unit that sets out the obligations of the Co-op to the member and the member to the Co-op. This is supported by a booklet called "The Rules We Live By" outlining the very basic conduct expected of each member.

6. How is the unit charge set?

The chief advantage of a not for profit co-op is that budgets are determined on a cost-only basis which means that any increase in charges must be justified by an increase in operating costs. The regular charge can only be increased by means of a vote taken at a meeting called specifically for that purpose.

The charges are as follows:

Our Corporation has 755 shares with a one bedroom having 34.5 shares and two bedroom having 47.5 shares and expenses are shared accordingly.

1 Bedroom Unit.....

2 Bedroom Unit.....

The charges may be paid quarterly or annually and includes a one time registration fee of \$100 as well as your units share of expenses, examples being insurance on the building, capitol reserves, general maintenance of our building as well as the common areas and some shared utilities. You will be responsible for the upkeep of your unit including heat and electric. Taxes are also paid by the individual shareholder as they may vary depending on occupancy. These charges are due and payable on the first day of occupancy.

7. What about insurance coverage.

The maintenance company of Hampshire Gardens arrange insurance coverage on the structures as well as the common property. It does not carry coverage on your personal property such as furniture, clothing, automobile, etc. We strongly recommend that you investigate a policy for your personal property.

8. How much time will I have to spend on the co-op?

Some of the work of the co-op will be done by volunteers working individually or in groups. There is a Monday morning work crew we encourage you to join as well as special projects manned by volunteers with special skills or abilities. There is also a number of social and business committees established to help with the smooth operation of the community. Your commitment is encouraged but not compulsory.

The minimum expected is:

- * to pay the unit charges in full and on time
- * to attend general meetings in order to be informed
- * to care for your unit and associated space
- * to treat the rest of the community with respect

A healthy co-op can accomodate many different life styles and a variety of kinds of participation and not all participation will be of equal value. There is also negative and counter productive ways to participate undermining rather than contributing to the spirit of the community.

9. How do I become a member?

Filling out an application is the first step. The information you give will allow the Co-op to determine something about you as a potential member. You will then be interviewed by a panel with the purpose of getting to know you and your concerns. On the basis of that interview and information gathered the volunteers will make a recommendation to the Board of Directors and you will be notified of their decision.