

**TO: Prospective Boston Townhouse Cooperative Member**

**From: Board of Directors of Boston Townhouse Cooperative  
And Marcus Management, Inc.**

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Thank you for showing interest in becoming a member of the Boston Townhouse Cooperative community. Boston Townhouses Cooperative is a market-rate Cooperative, offering its members the option to sell their share of stock (unit) on the open market, to a qualified, Board approved buyer, for their asking price. If financing is needed to purchase the share of stock, Boston Townhouses Cooperative can assist in locating a lender to finance the cost of the share of stock for the qualified, Board approved buyer. Should you choose to finance the share of stock through a lending bank, you will have two separate payments to make each month; 1) to the lending bank for the cost of the loan payment agreed upon, amortized over the length of your loan for the purchase of the share of stock and, 2) your monthly carrying charge payment made payable to Boston Townhouses Cooperative.

Along with the purchase of the share of stock or (price of the unit), is monthly carrying charges. Monthly carrying charges are paid by every share holder of Boston townhouse Cooperative (separate from the loan payment if applicable), on the first of each month to cover a variety of expenses required to maintain a cooperative. Monthly carrying charges currently range from \$300.00 per month to \$378.00 per month based on unit size, and include water. Electric and home heating utilities are not included in the monthly carrying charge payment.

As a Member/Shareholder in Boston Townhouses Cooperative, Inc. you are entitled to one vote in deciding issues facing the Cooperative Corporation, as well as to live here and participate in the Board Meetings.

Boston Townhouses Cooperative, Inc. is a Michigan not-for-profit business, and must be operated accordingly. Your Membership Certificate represents one share of stock in the Corporation and is bought and sold like other stock, but with one difference; the outgoing Member sets the sale price of the membership certificate (and unit), and negotiates that price with the incoming Member. The Certificate of Stock (Membership Certificate) entitles you as the member to live within a specific unit. The Membership Certificate transfer to the incoming member upon the sale of the share and unit.

The price paid to purchase a unit is negotiated between the seller and buyer and is based on any improvements, appliances, carpeting, etc., contained therein. The monthly carrying charge is combined with other members and used to operate the corporation. Each member is entitled to their proportionate share of Real Estate Taxes, which is deductible on your income taxes each year when itemizing deductions.

While the maintenance of the building's exterior, hot water heaters, plumbing and wiring are the Co-op's responsibility, our members are free to individually redecorate their units to

compliment their personal tastes and lifestyles. An "Alteration/Modification" form must be completed prior to altering a unit, all improvements must meet local, state and federal building codes.

The Co-op also maintains the public areas such as lawn area, trees, shrubs, the parking lots, etc., but each resident is encouraged to landscape their area and to keep it beautiful and well cared for.

Boston Townhouses Cooperative (coop) is a self-governing body; members set the rules, guidelines and limitations. Members are expected to read and follow the rules set forth. Members are also encouraged to become active in some phase of our "volunteer" programs. Boston Townhouses thrives on the talents and ideas of our members. Our carrying charges are considerably less than rent or house payments because of the "gift" of the member who volunteers. Along with these things also comes a pride of ownership.

This is basically what a housing Cooperative is. If you feel that it fits your housing needs and wish to apply for membership, please fill out the application for membership and submit it to the office.

### **MEMBER SELECTION CRITERIA**

The Board of Directors of Boston Townhouses Cooperative has recently revised its Member Selection Criteria. In order to qualify for membership and occupancy at Boston Townhouses Cooperative, members must comply with all of the following program, occupancy and membership criteria:

#### General Eligibility:

The applicants seeking housing in Boston Townhouses Cooperative must first qualify for its General Eligibility:

- The applicant(s) must be at least 18 years of age or older.
- The family's annual income must meet or exceed the income limits established from time to time by the Board of Directors.
- Application Co-signers are not permitted.
- All adults in the applicant's family must provide picture identification.
- The unit for which the family is applying must be the member's and family's primary Michigan residence and occupy the unit on an ongoing basis.
- The applicant must agree to pay the carrying charges as determined by the Board of Directors.
- All information reported by the family is subject to verification.

### Community Eligibility:

Once it has been determined that an applicant qualifies for housing under the Program Eligibility requirements, a determination will be made as to whether or not the applicant and family members satisfy the following selection criteria:

- The applicant(s) must complete all application documents, signing where required and be truthful in providing all application information. An application is considered complete when all information has been completed on application forms and all third party verifications have been filled out. All applications shall be date and time stamped when deemed complete.
- The Member(s) of record must complete a State of Michigan Affidavit declaring their unit at Boston Townhouses as their Primary Residence.
- An appropriate sized unit, based upon the number of family members, must be in existence upon the premises. The occupancy standard for Boston Townhouses Cooperative mandates that the applicant and family members not exceed the product of multiplying the number of bedrooms in the housing unit times 2, i.e. 2 persons occupying a one bedroom unit, 4 persons occupying a two bedroom unit, 6 persons occupying a three bedroom unit, and 8 persons occupying a four bedroom unit. The family members may be less than the above occupancy standard. Basement areas and living room areas cannot be used for sleeping quarters, per Clinton Township Ordinance.
- The applicant or any member of his/her family may not have any criminal action or illegal drug activity being processed by any law enforcement agency or municipality, have a history of felonious activity or convictions related to forced entry, breaking and entering, robbery or the use of a firearm in the commission of a crime, have a history or conviction of sexual criminal conduct of any magnitude, or be convicted or plead guilty to fraud of any kind for a period of ten (10) years prior to the date of the membership application. The Board of Directors reserves the right and specific ability to reject any membership application based upon the content of a criminal background investigation report despite the date of the felonious occurrence.
- The applicant(s) must submit to an investigation of his/her/their credit history. Applicants with collection activity will not qualify for housing. Boston Townhouses reserves the right to delay the request of credit history information, at its sole discretion, predicated solely on the length of an existing waiting list for various unit sizes, to ensure that a complete credit history is known prior to the applicant's move-in. Other credit history items that shall result in application rejection are: Judgements or evictions from previous housing/landlords, housing violations involving fraud, unpaid

- Judgments and unpaid delinquent accounts.
- The applicant(s) must have at least one (1) year of employment history to verify. Applicants with a history of late payments, disregard of rules, lease obligations, or any other item constituting default of the terms of their housing arrangement will not be approved.
- If employed, the applicant(s) must have at least one (1) year of employment history to verify. Applicant may have more than one employer during the past annual period but must show one year of continual employment.
- The applicant(s) must show a willingness to maintain their housing accommodations in a sanitary condition with no evidence of undesirable noise, odor, or disruptions to the peaceful use and enjoyment of other residents. Verification of these criteria may be obtained from neighbors, landlords, court records or other independent sources.
- Co-applicants and adult family members are subject to all of the same selection criteria as is the applicant.
- It is the responsibility of the applicant(s) to ensure that their current address and telephone numbers are on file with the Boston Townhouses business office. Failure of an applicant to provide their current address and telephone number shall result in the applicant's housing application being removed from the active file.
- All rejected applications will be communicated to the applicant(s) in writing. The decision to reject an application by the Board of Directors may be appealed by the applicant(s) within 14 days from the date of the rejection letter. Upon review of the issues surrounding the applicant(s) appeal, the decision of the appeal by the Board of Directors shall be final.
- Any applicant who is believed to be purposefully manipulating the application and approval process in order to gain any type of unfair advantage shall be immediately removed from the waiting list and, if still interested in becoming a member of Boston Townhouses, must submit a new application package, obtain a new application package time and date stamp and then will be moved to the bottom of the waiting list.

Prospective applicants who apply for housing at this Cooperative shall not be discriminated against according to his/her race, religion, sex, national origin, age, handicap, or familial status. This Housing Cooperative conducts its business in accordance with the Fair Housing Act and its Amendments, as well as all Federal, state and local laws.

## **APPLICATION PROCESS**

The following is a description of the applicant process which each and every applicant shall be requested to undertake. While every possible situation cannot be addressed in this text, we believe that a good majority of applicant requirements are addressed. If, however, any applicant's individual requirements are not addressed herein, all efforts will be made to respond to this situation/question as they are presented.

### **APPLICATION REQUIREMENTS FOR MEMBERSHIP**

1. All prospective applicants must be at least 18 years of age.
2. Application information will include, but will not be limited to, the following, as more completely described in the Members Selection Criteria portion of this document:
  - a. Verification of all sources of income and assets.
  - b. Verification of prior landlord/mortgage references.
  - c. Verification of credit history from prior/current landlord/mortgage company.
  - d. Complete credit check completed by the Cooperative's credit company.
  - e. Marriage licenses, birth certificates, Court Orders, Judgments of Divorce, social security number, or any other legal documents which may apply.
  - f. Change of phone number or address, if applicable, while on waiting list.
  - g. Any other information or verification which is deemed necessary for the Cooperative to meet membership processing protocols.
  - h. Orientation meeting with the Membership Committee or person(s) so designated to conduct the membership interview.
3. WAITING LIST – If the Cooperative maintains a waiting list for prospective members, the administrative processes of the waiting list shall be governed by the following policies and procedures. If the Cooperative does not maintain a waiting list, unit selection shall be left to discretion of the prospective member, provided the prospective member is approved for membership. Applicant on a waiting list shall be separated into two categories as follows:
  - 1) The first category describes applications which are believed will be offered a housing unit within the next 90 days. These applications will require all information to be received by the Cooperative prior to the Cooperative considering the application to be completed.
  - 2) The second category describes applications which are believed will not be offered a housing unit within the next 90 days. These applicants will be required to submit the Application, the current credit check fee, and verifications of sources of incomes only. The remaining information will be requested at a later date.

Once the necessary information has been provided in the appropriate application category, the application will be dated with a completed application date, and the

application will then go on the completed application waiting list. All applications on the completed application waiting list will be arranged in descending order based on the completion date.

All applicants will be given three (3) opportunities to purchase a cooperative membership. If three consecutive units are rejected, the application will be re-dated with the date the third unit was rejected and placed on the bottom of the waiting list.

The waiting list will be updated at least annually. The Cooperative must have current and accurate information on file at all times in order to properly contact the prospective applicants. Failure to do so, or three failed attempts to contact the applicant, will cause the application to be classified as inactive. A new completed application must be filed by the applicant, and the original completed application date will no longer be used.

4. Notwithstanding the Cooperative option to maintain a waiting list, members residing in a "market rate" Cooperative may sell their unit to any person who is approved for membership by the Board of Directors. Therefore, persons on the waiting list may or may not have an opportunity to consider any unit going on the market for sale.
5. The Board of Directors reserves the right to reject applications for membership if it is determined that any member of the household falls within any category listed below:

### **CATEGORIES OF REJECTION**

The cooperative reserves the right to disapprove applicants for admission if it is determined that any member of the household falls within any of the following categories:

- A. **HISTORY OF CRIMINAL ACTIVITY** - Includes cases in which a member of the family who is expected to reside in the household was or is engaged in any criminal activity which involves crimes of physical violence to persons or property or the nature of which would be detrimental to the safety or welfare of other members or their peaceful occupancy of the premises.
- B. **VIOLENT BEHAVIOR** - Includes evidence of acts of violence or of any other conduct which would constitute a danger or disruption to the peaceful occupancy of neighbors.
- C. **CONFIRMED DRUG OR ALCOHOL ADDICTION OR ABUSE** - Includes evidence of confirmed drug addiction or alcohol abuse, such as a record of convictions for possession, trafficking or use of cocaine, heroin or other narcotics or controlled substances, a record of convictions for activity relating to the misuse of alcohol, or written reports from a probation officer, a social agency, or the family itself to the effect that the individual is addicted to or is misusing drugs or alcohol. In cases where the individual is undergoing follow-up treatment by a professional agency after discharge from an

institution, such person shall not be considered ineligible if such agency confirms in writing that such person is rehabilitated.

- D. **RAPE, PROSTITUTION OR SEXUAL DEVIATION** - Includes convictions for the offenses of rape, prostitution, indecent exposure, impairing the morals of a minor or similar crimes indication sexual deviation.
- E. **UNSANITARY OR HAZARDOUS HOUSEKEEPING** - Includes generally creating any health or safety hazard through acts or neglect and causing or permitting any damage to or misuse of premises and equipment, if the family is responsible for such hazard, damage or misuse; causing or permitting infestation, foul odors or other problems injurious to other persons' health, welfare, or enjoyment of the premises; deposition garbage improperly, failing to use in a reasonable and proper manner all utilities, facilities, services, appliances and equipment within the dwelling unit or failing to maintain them in good and clean condition, or any other conduct or neglect which could result in health or safety problems or in damage to the premises.
- F. **RECORD OF DISTURBANCE OF NEIGHBORS, DESTRUCTION OF PROPERTY OR OTHER DISRUPTIVE OR DANGEROUS BEHAVIOR** - Includes behavior or conduct which adversely affects the safety or welfare of other persons by physical violence, gross negligence or irresponsibility; which damages the equipment or premises in which the family resides; or which is disturbing or dangerous to neighbors or disrupts sound family and community life.
- G. **NON-COMPLIANCE WITH RENTAL/OCCUPANCY AGREEMENTS** - Includes evidence of any failure to comply with the terms of rental/occupancy agreements on prior residences, such as providing shelter to unauthorized persons, keeping pets or other acts in violation of rules and regulations.
- H. **APPLICANTS WITH BALANCES** - Applicants who owe their owner a balance from present or prior occupancy will not be considered for admission until the account is paid in full and reasonable assurance is obtained that the contributing causes for nonpayment have been sufficiently changed to enable the family to pay when due, rent and other expenses relating to the occupancy of the unit. The spouse will not be required to pay the balance before admission if his/her spouse was the former lessee/renter, provided there is legal documentation evidencing a divorce or separation.
- I. **MEDICAL RECORD** - A record of medical, emotional or physical disability such that residence in an independent setting would be injurious to the health, safety or welfare of the individual or the other members or their peaceful enjoyment of the premises.
- J. **TENANCY OR CREDIT RECORD** - A consistent, severe, or recent history of deficiencies in overall credit in rent payment which indicated that the family would be unable or would otherwise fail to pay when due occupancy payments for the unit, or the absence of any history of timely payment of rent and other obligations, unless the family can show good cause for such absence.

- K. **MISREPRESENTATION** - Willful or serious misrepresentation in the application procedure for the unit.
- L. **STATE AND FEDERAL LAWS** - Failure to meet the eligibility requirements imposed by applicable state or Federal law, regulation, or requirements promulgated thereunder.

All disapproved applicants will be notified in writing. The notification will advise the applicant of the rights for reconsideration and appeal. If any applicant is not satisfied with our decision of disapproval, the applicant shall have the right, within 14 days of the date of the mailing of the notice, to request a hearing with a designated person or persons chosen by the Board of Directors. The applicant shall be allowed a reasonable opportunity to explain why the application should have been approved. After the hearing, the Board of Directors shall notify the applicant in writing if a reversal of the initial decision was granted. The applicant shall not be entitled to any further review of the decision after the hearing.

### **PERSONS WITH DISABILITIES**

“Persons with Disabilities” means any person who has a physical or mental impairment that substantially limits one or more of life’s major activities; has a record of such impairment; or is regarded as having such impairment. For purposes of programs and activities, the term does not include any individual who is an alcoholic or drug abuser whose current use of alcohol or drugs prevents the individual from participating in the program or activity in question, or whose participation, by reason of such current alcohol or drug abuse would constitute a direct threat to property or the safety of others. As used in this definition, the phrase:

- A. “physical or mental impairment” includes:
  - 1) any physiological disorder or condition, cosmetic disfigurement, or anatomical loss affecting one or more of the following body systems; neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genitor-urinary; hernia and lymphatic; skin; and endocrine; or
  - 2) any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities. The term “physical or mental impairment” includes, but is not limited to, such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction and alcoholism.



- B. "major life activities"  
means functions such as caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning, and working.
- C. "has a record of such impairment"  
means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits one or more major life activities.
- D. "is regarded as having an impairment" means:
- 1) has a physical or mental impairment that does not substantially limit one or more of life major activities but is treated by a recipient as constituting such a limitation.
  - 2) has a physical or mental impairment that substantially limits one or more major life activities only as a result of the attitudes of others toward such impairment; or
  - 3) has none of the impairments defined in paragraph (d) (1) of this Section but is treated by a recipient as having such an impairment.