

Housing Co-ops

A housing cooperative (co-op) is people who collectively own the building in which they live. A co-op has three major parts:

→ Members

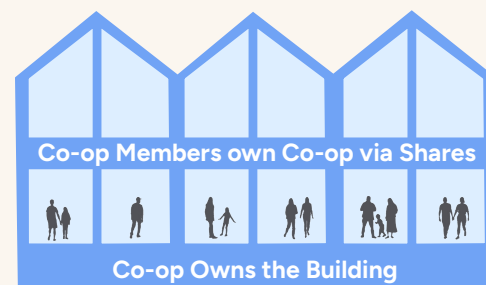
The members or shareholders of a co-op own the building collectively via shares of the co-op corporation and participate in managing the co-op.

→ Cooperative Corporation

The co-op corporation is the collective, legal body that owns the real estate. The corporation is made up of all the members/residents who live in the co-op and own shares of the corporation. The co-op **Bylaws** provide legal structure and guidelines for governance and long-term affordability.

→ Board of Directors

Members of the co-op elect other members to the Board of Directors to manage the co-op.



What do you own?

Your membership share gives you:

- Partial ownership of the whole community
- The sole right to live in your unit

What do you share?

- Common spaces, which may include communal kitchens, outdoor spaces, guest rooms, and more.
- You also participate in co-op management.

What do you pay?

- Your **Share Loan** payment, similar to a mortgage for your home.
- **Co-op fee**, which helps repay the **Blanket Debt**, and also covers utilities, property taxes, insurance, maintenance, admin, and reserve funds for financial stability.

How is a co-op different from a condo or single-family home?

- If you want to sell your home in the future, it is subject to a **resale cap**, typically around 3% appreciation per year. This helps to ensure affordability for future generations and provide stability in your community.
- The co-op corporation can take on **Blanket Debt**, which is like a mortgage covering the entire property. This allows for shared amenities, reduces the size of down payments, and creates more opportunities for affordable homeownership.