

RIDGE SIDE COOPERATIVE
OCCUPANCY AND MEMBERSHIP AGREEMENT

839-847 WILLIAMSON ST.

[as amended December 2013]

Date_____

Unit#_____ Address_____

Monthly Carrying Charge: Unit_____ Other_____

(Annual Adjustment Made) Total_____

Proportionate Factor_____

Occupants of Unit _____ Age_____

Pay Fees to_____

Stock Titled to_____ (Shareholder(s))

1 Membership Vote (or fraction thereof) to be voted by_____

THIS AGREEMENT between Ridge Side Cooperative, hereinafter called the "Co-op", and _____, shareholder-members and adult occupants of the resident-household (residents), is the basic agreement between these parties relative to the residents' rights to occupy Unit No. _____, the Co-op's right to receive payment therefore, and Co-op membership.

IN CONSIDERATION of the mutual agreements and provisions set forth below, Co-op hereby leases to residents and residents hereby lease from Co-op for a private residence the Unit designated above together with the fixtures and accessories belonging to it and contained within it and further grants membership and voting rights in the Co-op.

I. MEMBERSHIP

Each adult resident is entitled to membership and a total of one vote in all membership matters and each resident/household is entitled to elect 1 shareholder-member from their unit to the Co-op's Board of Directors. Please refer to Co-op's Articles of Association, and By Laws for further description.

II. ISSUANCE OF SHARE CERTIFICATE

- A. The Co-op shall provide the shareholder-member(s) with a Certificate of common stock which shall state the name(s), nature, and value of the shareholder-member(s) ownership of the Co-op. Said Certificate shall be in the name(s) of the shareholder-member(s) as designated above.
- B. At the termination of occupancy of the unit and membership the shareholder-member shall return the share to the Co-op for transfer pursuant to Co-op's By Laws, Section XII, and for a value as defined in the transfer value formula of Co-op's By Laws, Section XI.
- C. Said transfer value shall be reduced as per By Laws, Section 11.03, by any charges owed by the shareholder-member under this agreement; the shareholder-member's liability for such charges shall not be limited to said equity return.

III. MONTHLY CARRYING CHARGES

The Member agrees to pay to the Co-op a monthly sum referred to herein as "Carrying Charges", equal to the amount established by the Co-op, on an annual basis (as estimated and established at the sole discretion of its Board of Directors) to be necessary to meet its annual expenses, including but not limited to the following items:

- a) The cost of all operating expenses of the Co-op and services furnished.
- b) The cost of necessary management and administration.
- c) The amount of all taxes and assessment levied against Co-op property or which it is required to pay, and ground rent, if any.
- d) The cost of fire and extended coverage insurance on the Co-op property and such other insurance as the Co-op may effect or as may be required by any mortgage on the project.
- e) If furnished by the Co-op, the cost of furnishing water, electricity, heat, gas, garbage and trash collection and other utilities.
- f) All reserves set up by the Board of Directors, including general operating reserve and the reserve for replacements.

- g) The estimated cost of repairs, maintenance and replacements of the project property to be made by the Co-op.
- h) The amount of principal, interest, mortgage insurance premiums, and other required payments on any Co-op notes, secured or unsecured.
- i) Any other expenses 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 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 as determined by the Board of Directors.

IV. WHEN PAYMENT OF MONTHLY CARRYING CHARGES TO COMMENCE

After thirty days' notice by the Co-op to the effect that the dwelling unit is or will be available for occupancy, or upon acceptance of occupancy, whichever is earlier, the Member shall make an initial, prorated payment for Monthly Carrying Charges prorated from said date to the last day of said month. Thereafter, the Member shall pay Monthly Carrying Charges in advance on the first day of each month. Until further notice from the Co-op, the present Monthly Carrying Charges for the above-mentioned dwelling unit shall be \$_____ and the proportionate factor shall be _____.

- A. Members agree to pay by the first day of each month in advance to the Co-op the monthly carrying charge set forth above or as amended without requirement of demand or billing. This fee is to be paid to the address indicated above or such other place as the Co-op may designate by written notice.
- B. Failure by the member to make monthly carrying charge payments during the occupancy term and until proper termination of this agreement shall be good cause for termination of this agreement.
- C. The use of any surplus accumulated by the Co-op shall be determined by the Board of Directors and distributed as a patronage refund to the members.

V. RECORD OF CO-OP AVAILABLE TO MEMBER

Financial reports and records, membership records, accounts and minutes shall be available at the principal office of the Co-op for inspection at reasonable times, upon reasonable notice, by any member and/or their duly authorized and designated agents, representatives or attorneys.

VI. INITIATION OF OCCUPANCY

Prior to member's taking possession of unit, Co-op shall provide member with a written statement of apartment condition.

VII. MAINTENANCE, REPAIRS, AND IMPROVEMENTS

- A. The Co-op agrees to maintain the buildings, common areas and grounds in a decent, safe and sanitary condition in conformity with the requirements of local building codes, state law, and to pay or provide for the payment of all loans, taxes, assessments, and insurance on the premises. (The Co-op will not, however, provide insurance on member's personal property.) If repairs are necessitated by negligent or malicious conduct by occupants of the Unit or their guests or agent, such member shall be charged the cost of the repairs by the Co-op.
- B. Occupants agree to permit a duly authorized agent, employee or representative of the Co-op to enter the dwelling unit for the purpose of making improvements or repairs. Entry may be made only during reasonable hours after reasonable advance notice to the members of the date, time and purpose of the entry. The Co-op shall have the right, however, to enter the apartment without prior notice if the Co-op reasonably believes or has reasonable cause to believe that an emergency exists which requires such entrance. An emergency may include a serious breach of the maintenance covenant by either the occupants or the Co-op, any interruption of a utility or another essential service, or a defect or condition clearly hazardous to the health and safety of the occupants or seriously damaging to the dwelling unit.
- C. The occupants will not make any structural alterations in or additions to the exterior of the Co-op property or any part of the interior without the advance, written permission of the Board of Directors.
- D. Occupants hereby agree to perform reasonable and fair services for the Co-op as may be specified in House Rules and Procedures, or as may be determined by the Board of Directors.

VIII. REPAIRS

- A. By Member. The Member agrees to repair and maintain his dwelling unit at his own expense as follows:
 - 1. Any repairs or maintenance necessitated by his own negligence or misuse;
 - 2. Any redecoration of his own dwelling unit; and
 - 3. Any repairs, maintenance or replacements required on personal property or fixture brought into unit by Member.
 - 4. Any major repairs or improvements the cost of which is greater than 10% of the monthly carrying charge must first be approved by the Co-op's Board.

- B. By Co-op. The Co-op shall provide and pay for all necessary repairs, maintenance and replacement, except as specified in clause A. of this paragraph. The officers and employees of the Co-op 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 with advance notice as required by Wisconsin State law.
- C. Right of Co-op 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 paragraph, in a manner satisfactory to the Co-op and pay for same, the Co-op may make the repair and add the cost to the monthly carrying charge or as otherwise agreed upon by and between Co-op and member.

IX. UTILITIES

The Co-op shall provide gas, electricity and water for areas held in common, in amounts which it deems reasonable. The Member shall pay directly to the supplier for all other utilities, and do what is necessary to insure direct billing for said utilities to said members.

X. TRANSFERS

Neither this agreement nor the Member's right of occupancy shall be transferrable or assignable except in the same manner as may now or hereafter be provided for the transfer of memberships in the By Laws of the Co-op.

XI. USE AND SUBLEASING

- A. Occupants agree to limit the use of this Unit exclusively to use as a private dwelling by those persons listed as occupants above, and by any dependent minor children born to, adopted by, or in the custody of the adult occupant. During the occupancy term, occupants will not permit or perform any practice that may be illegal, injurious to the Co-op, disturbing to other residents, or likely to cause an increase in the rate of insurance on the building.
- B. Occupants agree not to cause the occupancy limit of the unit to be exceeded as per By Laws, Section 2.05(6).
- C. Resident-household shall not have any guest(s) occupying the unit for more than sixty (60) days during a twelve-month period, as per By Laws, Section 2.05(7).
- D. Because of the financial interdependence of the members and the special need for harmonious relations, occupants agree not to re-rent, sublease or make other assignment of the premises without specific prior written permission of the Board of Directors. Any such permission shall not be

deemed consent for any subsequent subletting, assignment or the like. All new occupants, assignees or sublessees shall be bound by this Agreement and all other documents related to the Co-op to which occupants, member-shareholders and Co-op may be parties, separately or jointly. Occupants may not derive any economic profit or material gain from any sublease or other assignment of the premises without the approval of the Board of Directors. Nothing in this Section shall be construed or preclude reasonable accommodation of guests and visitors.

- E. Occupants shall read and agree to comply with the House Rules and Procedures which will be drafted and approved by the Board of Directors and as amended from time to time by the Co-op, as provided by the By Laws.

XII. TERMINATION OF OCCUPANCY AND MEMBERSHIP

- A.* If the occupant desires to terminate occupancy he/she may do so only in accordance with the Co-op's By Laws, Section 2.06A and XII. The occupant is fully liable for all monthly carrying charges and will not receive a transfer value return until a new member/shareholder/occupant is approved by the Board of Directors to occupy the departing member's unit, and purchase the required shares of stock. The transfer value return may be held by the Cooperative to guarantee such payment. [*As amended October 22, 2013.]
- B. Termination by Co-op.
 - 1. Co-op may terminate this Agreement or membership for a good cause as provided herein, and in accordance with Co-op's By Laws, Section 2.07. For the purposes of this paragraph, "good cause" includes, but shall not be limited to:
 - a. nonpayment of the monthly carrying charge;
 - b. serious or repeated interference with the rights of other residents;
 - c. serious or repeated damage to the premises;
 - d. creation of physical hazard;
 - e. serious or repeated failure to comply with eligibility requirements or House Rules and Procedures, this Agreement, By Laws or Articles of Association;
 - f. Termination of residency.
 - 2. In the event the member-shareholder fails to make any required payment, Co-op may, at its option, serve the member-shareholder with notice of termination requiring vacation of premises within 15 days. If member-shareholder fails to comply with the Notice of Termination or to tender the charges owed in full within the 15 day period, or to appeal to the Board of Directors (pursuant to By Laws, Section XIII), the Co-op shall have the right to recover possession of the premises by formal eviction proceedings.

3. If the Co-op terminates this Agreement for any reason other than nonpayment of the monthly carrying charge, the notice of termination must state:
 - a. the specific reasons for the proposed termination and the alleged facts upon which it is based; and
 - b. the members-shareholder's right to request and receive a hearing before the Board of Directors, pursuant to By Laws, Section XIII.
4. If it is determined in compliance with Section XIII, Co-op's By Laws, that Co-op has "good cause" to terminate this agreement then Co-op may recover the possession of premises by formal eviction proceedings.
5. If occupancy is terminated by the death of a member-shareholder, and there are no other members residing in the same apartment, the Co-op shall follow the same procedures as applicable for termination.
6. Upon termination of residency by the Co-op for any valid reason, the Co-op shall have the right to re-enter the dwelling unit.

C. Termination in General

1. At termination of occupancy, occupants agree to surrender said premises to the Co-op in as good condition as received, normal wear and tear excepted, and agree to pay for any damage to the apartment, building and grounds and for any excessive wear and tear. No member's equity shall be reduced, nor shall any additional charges be levied, on account of ordinary wear and tear, nor for any cause other than negligence or unapproved changes deemed to have reduced the value of the unit.
2. Any improvements made at the occupant's expense shall at termination remain in the unit, unless they are detachable and can be removed without damage to any part of the unit or the building. Any improvements made by the Co-op shall remain under all circumstances.
3. At the request of the occupant, the Co-op shall make an inspection of the premises so that occupant may have the opportunity of correcting any conditions or damage for which he or she may incur liability. Any repairs made by the occupant must meet with the approval and the satisfaction of the Co-op, and they must be made prior to the termination of the occupancy, unless otherwise approved by the Board of Directors.
4. Notwithstanding provisions of (3) above, on or before the last day of occupancy an individual selected by the Board of Directors shall inspect the premises and, within 10 days after such inspection, the Board shall deliver to the occupants a statement of charges for repairs or abnormal wear and tear for which the occupants are liable as well as for delinquent monthly

- payments and/or other legitimate charges against the equity earned. The occupants shall have the right to accompany the Co-op representative on such inspection.
5. On or before the last day of occupancy, the member-shareholder shall endorse and return stock certificate and it shall be cancelled on the Co-op books. If the member-shareholder vacates without returning the share certificate, the Co-op shall deduct \$50.00 from the equity earned and shall cancel the Membership on the books of the Co-op.
 6. The occupants shall not withhold any payment which may be owing to the Co-op at termination, including the carrying charge for the last month.
 7. The occupants agree to permit the Co-op to show the dwelling unit to prospective occupants after the Co-op has received notice of termination of occupancy. The Co-op may show the unit upon reasonable advance notice.

XIII. DEFINITION OF DEFAULT BY MEMBER AND EFFECT THEREOF

At any time after the happening of any of the events specified in clauses a to j of this Article, the Co-op may at its option give to the Member notice that this agreement will expire at a date not less than 15 days thereafter. If the Co-op so proceeds all of the Member's rights under this agreement will expire on the date so fixed in such notice, unless in the meantime the default has been cured in a manner deemed satisfactory by the Co-op or the member requests action pursuant to By Laws, Section XIII. In addition to the events described in paragraph XII, B.1., of this Agreement, default shall be defined to include the following:

- a. At any time during the term of this agreement the member-shareholder shall cease to be the owner and legal holder of shares of the Co-op.
- b. The member-shareholder attempts to transfer or assign this agreement in a manner inconsistent with these provisions, the By Laws, or the Articles.
- c. At any time during the continuance of this agreement the member-shareholder shall be declared a bankrupt under the laws of the United States.
- d. At any time during the continuance of the agreement a receiver of the member-shareholder's property shall be appointed under any of the laws of the United States or of any State.
- e. At any time during the continuance of this agreement the member-shareholder shall make a general assignment for the benefit of creditors.
- f. At any time during the continuance of this agreement the membership rights of a member in

the Co-op shall be duly levied upon and sold under the process of any Court.

- g. The member-shareholder fails to effect and/or pay for repairs and maintenance as provided for in this occupancy agreement.
- h. The member-shareholder shall fail to pay any sum due pursuant to the provisions of this contract.
- i. In case the member-shareholder shall fail to pay any charge which if not paid, could become a lien against the Co-op.

XIV. MEMBER TO COMPLY WITH ALL CO-OP REGULATIONS

The member-shareholder covenants that he will preserve and promote the cooperative ownership principles on which the Co-op has been founded, abide by the By Laws, rules and regulations of the Co-op and any amendments thereto and any other Co-op documents and by his acts of cooperation with its other members bring about for himself and his co-members a high standard in home and community conditions. The Co-op agrees to make its rules and regulations known to the member-shareholder by delivery of same to him or by promulgating them in such other manner as to constitute adequate notice.

XV. LATE CHARGES AND OTHER COSTS IN CASE OF DEFAULT

The Member-shareholder 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-shareholder shall pay to the Co-op a late charge in an amount to be determined from time to time by the Board of Directors for each payment of Carrying Charges, or part thereof, more than 5 days in arrears.

- A. This agreement is and shall be subordinated to present and future mortgage debts secured by the property.
- B. This agreement, together with any future adjustment in the monthly carrying charges, the House Rules and Regulations, Articles of Incorporation, By Laws, and other governing documents constitute the agreement between the Co-op and the occupant-member-shareholder. No person may be an occupant unless he or she is also an approved part of a resident-household, and each resident-household shall have a copy of and be bound by all of the above-mentioned documents. Changes in the Occupancy and Membership Agreements may be made by the Board of Directors pursuant to the Co-op By Laws. Changes in the Occupancy and Membership Agreement shall be effective when a written copy thereof has been provided to each resident-household for attachment to this Agreement.
- C. Failure of the Co-op, the resident household, occupants, member-shareholders to insist upon strict

enforcement of any or all of the terms, covenants, agreements and conditions herein contained shall not constitute or be construed as a waiver or relinquishment of the parties' respective right to enforce any such term, covenant, agreement or condition.

XVI. MEMBER'S RIGHT TO PEACEABLE POSSESSION

In return for the occupant's continued fulfillment of the terms and conditions of this agreement, the Co-op covenants that the occupant may at all times while this agreement remains in effect, have and enjoy for occupant's sole use and benefit the dwelling unit hereinabove described, and may enjoy in common with all other members and occupants of the Co-op all community property and facilities of the Co-op.

XVII. LIABILITIES

Residents agree to hold the Co-op harmless from and indemnify Co-op against any and all liabilities, damages, and expenses arising from injury, damage or loss to the occupant, guests, employees, agents, assignees, sublessees, visitors, or licensees, to any property of said persons in or about the housing units, buildings or grounds. Occupants agree to be responsible at all times for the safety of all family members, of all guests, and their respective belongings when on or about the premises.

XVIII. NOTICES

Whenever the provisions of law or the By Laws 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/occupant 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/occupant at his unit or to the member's last known address. Any notice or demand by the member to the Co-op shall be deemed to have been duly given 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 President 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.

XIX. ORAL REPRESENTATION NOT BINDING

No oral representations not contained in this agreement, the By Laws of the Co-op, other Co-op documents and/or any other written agreements approved by the Board, shall be binding upon the Co-op.

Dated this _____ day of _____, 20____ at
Madison, Wisconsin.

RIDGE SIDE COOPERATIVE

MEMBER-SHAREHOLDER-OCCUPANT*

By: _____
President

Attest: _____
Secretary

(I, We), the undersigned, _____, do hereby acknowledge receipt of a copy of this Occupancy and Membership Agreement and do hereby agree to the terms of this agreement. (I, We) do also hereby acknowledge receipt of a copy of the House Rules and Regulations, Articles of Incorporation and By Laws of the Co-op.

Dated: _____

Occupant*

Occupant*

Occupant*

Occupant*

Occupant*

*to be executed by all adult member-shareholders-occupants

We, _____,
Officers of the Ridge Side Cooperative, do acknowledge the receipt of the downpayment and do hereby grant a membership in Cooperative to:

Dated: _____

RIDGE SIDE COOPERATIVE

By: _____
President

Attest: _____
Secretary

TABLE OF CONTENTS

- I. Membership
- II. Issuance of Share Certificate
- III. Monthly Carrying Charges
- IV. When Payment of Monthly Carrying Charges to Commence
- V. Record of Co-op Available to Member
- VI. Initiation of Occupancy
- VII. Maintenance, Repairs, and Improvements
- VIII. Repairs
- IX. Utilities
- X. Transfers
- XI. Use and Subleasing
- XII. Termination of Occupancy and Membership
- XIII. Definition of Default by Member and Effect Thereof
- XIV. Member to Comply with All Co-op Regulations
- XV. Late Charges and Other Costs in case of Default
- XVI. Member's Right to Peaceable Possession
- XVII. Liabilities
- XVIII. Notices
- XIX. Oral Representation Not Binding

Signature Page Formalizing
Co-op Occupancy and Membership

Signature Page Acknowledging
Receipt of Co-op Governing Documents