

HIGHLEAH TOWNHOUSES



Featuring:

- ▶ Energy efficient heating/cooling systems.
- ▶ Full basements containing hook-ups for washer/dryers.
- ▶ Kitchen furnished with refrigerator, disposal, gas range
- ▶ Beautiful oak hardwood and vinyl floor coverings.
- ▶ Thermo-pane windows and doors.
- ▶ Adequate closet space.
- ▶ Complete grounds maintenance, mowing, trimming, snow removal, etc.
- ▶ Underground wiring.
- ▶ Maintenance and replacement when necessary of any plumbing, appliances, electrical systems and heating/cooling systems.
- ▶ Emergency Maintenance Service
- ▶ Water, Sewer and Trash Removal included in monthly charge.

Highleah Townhouses, Inc. is a community, owned and operated by the people who live there. It is a non-profit operation; therefore, your monthly fee does not exceed the actual cost of owning and maintaining the property. There is nothing added for profit.



What is a housing cooperative?

Housing cooperatives are a form of multi-family homeownership. In a housing cooperative, there are two owners, the cooperative corporation and the corporation's owners, who are typically known as tenant-stockholders.

The cooperative corporation owns or leases the housing project, including all land, dwelling units and common areas. Its tenant-stockholder, who by virtue of their stock ownership, are entitled to occupy a specific dwelling, in turn, jointly own the cooperative corporation.

Tenant-stockholders purchase stock that is referred to as a membership certificate. The stockholder signs a perpetual lease, called an Occupancy Agreement that gives the tenant-stockholder a legal and exclusive right to occupy a dwelling unit as long as all obligations to the cooperative are met.

The cooperative corporation is the legal owner of the property. As such, the corporation is responsible for meeting its financial obligations, including mortgage payments, real property taxes and management and maintenance cost. The cooperative passes on these costs to the tenant-stockholders, who pay a single monthly fee referred to as a carrying charge to the cooperative.

Does my membership increase in value?

Yes, your membership increases each month in value known as "transfer value".

If you move from Highleah Townhouses, Inc., the cooperative has first option to purchase your membership. If the cooperative does not exercise this right, then the cooperative will assist the member in obtaining a qualified purchaser for the membership.

It's expensive and time consuming to sell an individual house. Broker's fees and other costs often run 10 percent of the selling price. At Highleah Townhouses you give a notice of intent to vacate (sell your Membership) and a modest resale charge, plus costs for rehab work in your unit, is all you pay. You can also sell improvements that you have made to the unit. You will be refunded your accumulated transfer value (equity) and Membership, minus resale and rehab charges.

Who maintains the property?

The Board of Directors sets maintenance standards and retains a professional property management firm to oversee the day-to-day operation of the cooperative.

Complete exterior care includes structural repairs, grounds care, snow and trash removal, street maintenance, etc.

Major interior repairs include preventative maintenance, structural repairs and replacements as needed, along with maintenance of plumbing and electrical systems.

All of the appliances furnished with your townhome are maintained by maintenance and are repaired or replaced when needed.

Is there a tax deduction?

As a stockholder in the cooperative you are allowed to deduct your pro-rata share of the real estate taxes and interest paid by your cooperative.

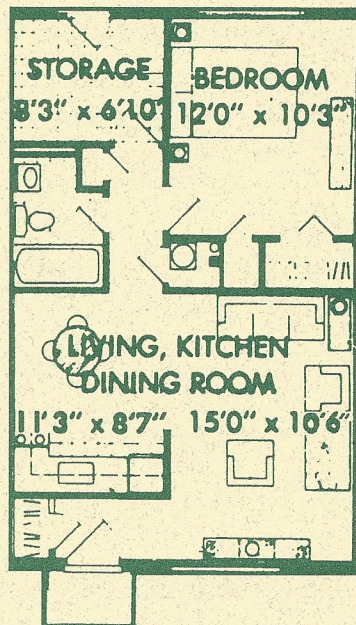
DOVER

Monthly Charge

\$ _____

Transfer Value

\$ _____



Large bedroom, full bath, storage room,
full kitchen, dining area and living room.

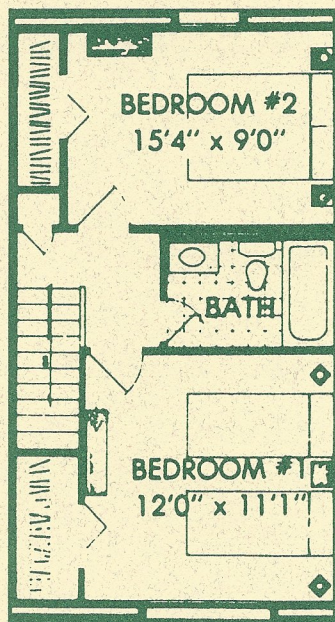
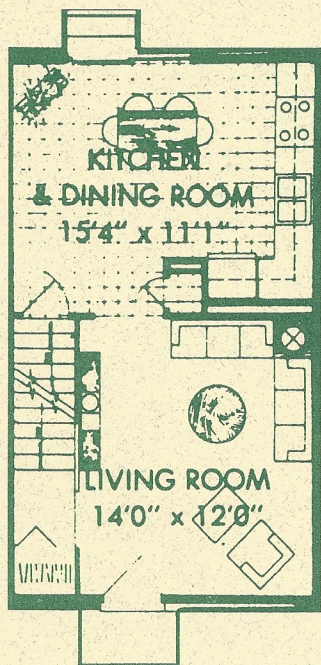
SOMERSET

Monthly Charge

\$ _____

Transfer Value

\$ _____



2 large bedrooms, full bath, living room, basement, country kitchen and dining area.

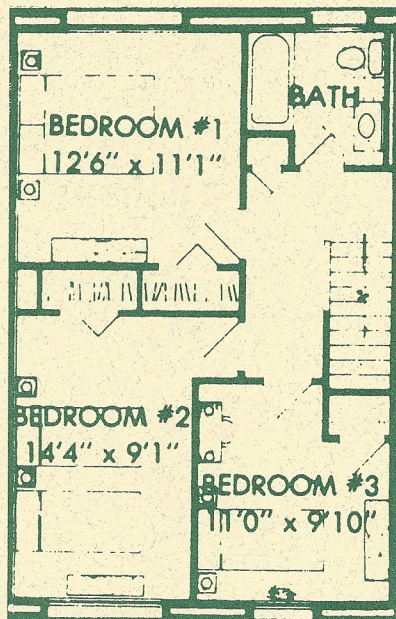
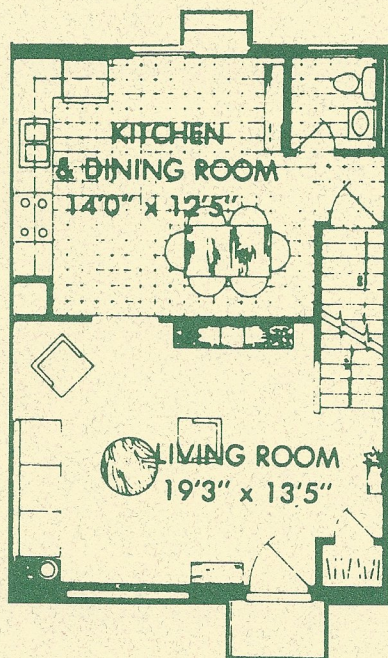
BUCKINGHAM

Monthly Charge

\$ _____

Transfer Value

\$ _____



3 bedrooms, bath and a half, living room,
basement, country kitchen and dining area.

Compare the Advantages

	COOPERATIVE PLAN	RENTING	OWNERSHIP
Monthly Cost	Your monthly payments are amazingly low. You pay only actual costs.	The tenant must pay what the landlord asks.	The owner's monthly expenses are much higher.
Total Cost	Your costs are cut to the bone: longest mortgage terms, special low interest rate, controlled builder fee, no closing cost or broker fee.	The tenant's rent includes high cost of commercial construction and financing.	The owner pays for higher mortgage interest rates, uncontrolled profits, closing costs.
Ownership	You and other townhouse residents are the sole owners of the property. You occupy the home of your choice for as long as you wish.	The tenant owns nothing (except a file of rent receipts).	The owner is completely responsible for his house.
Liability	You have no personal liability – you sign no mortgage or note.	The tenant has no personal liability.	The owner is personally liable for the mortgage and note.
Maintenance	Your cooperative takes care of your townhouse inside and out (except redecorating).	The tenant has no control over maintenance standards.	The owner is fully responsible for all repairs.
Management	Your family and every other family each have one vote in election of directors. Business affairs are handled by a professional management firm.	The tenant has no voice whatever in management.	The owner alone is responsible for all decisions... and mistakes!
Community Control	You help establish policy, rules and standards for your community.	The tenant has no control.	The owner has no jurisdiction except in court.
If You Have To Move	You give notice, and your cooperative may purchase your membership, or may help you to sell it, for a small fee to cover overhead expense.	The tenant is bound by a lease drawn up by his landlord.	The owner must sell his own house and pay larger brokerage fees.
Increase In Value	Your membership can increase in value under a formula written into your co-op By-Laws. You can get credit for improvements.	The tenant gains no increase in value.	The owner's equity depends on market factors beyond his control.
Tax Benefit	You deduct from your income tax report everything paid for interest and real estate taxes—approximately half of all you pay.	The tenant has little or no tax benefit.	The owner can deduct interest and taxes.
Replacements	Your cooperative has reserve funds waiting in the bank to replace items as they wear out.	The tenant must wait for the landlord to decide when and if to make replacements.	The owner must foot the bill for replacements.

How To Join:

Any low to moderate-income family may fill out an application. A non-refundable \$40.00 processing fee must accompany each wait list application. A one-time fee of \$170.00 buys your membership in the cooperative. Each applicant must meet income and credit requirements of the Federal Housing Administration and policies set forth by the Board of Directors.

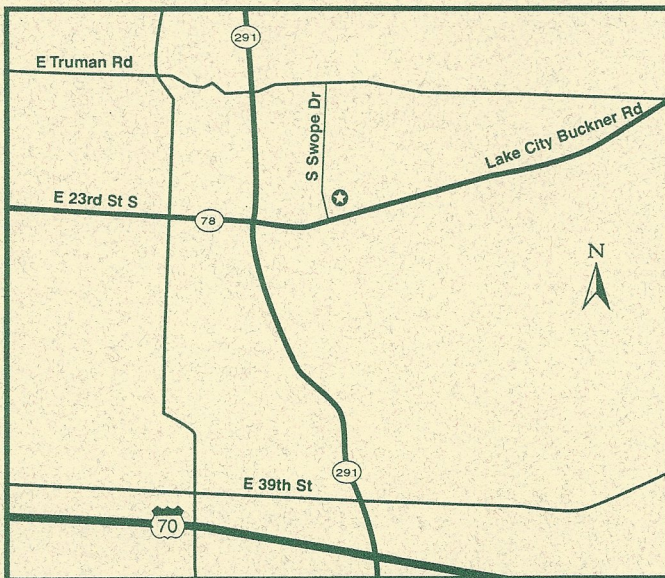
Welcome to Cooperative Living:

HIGHLEAH TOWNHOUSES, INC.

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Independence, Missouri 64057

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Professionally Managed by:

Linville Management Services, Inc.

