

CONCORD VILLAGE, INC.

631 East Lexington Place  Tempe, Arizona 85281
Tel: (480) 946-4271 Fax: (480) 941-0406

MEMBERSHIP TRANSFER CONTRACT

NAME _____

ADDRESS _____ UNIT # _____

CONTACT PHONE NUMBER(S) _____

TIME AVAILABLE FOR APPOINTMENTS _____

DATE AVAILABLE FOR OCCUPANCY _____

This is authorization for Concord Village to assist me with the Transfer of my Membership, located at the above address. I understand that until such time as a qualified applicant is found to assume occupancy and the monthly payments on a pro-rated basis or in a manner acceptable to both parties, I will still be FULLY RESPONSIBLE FOR MY MEMBERSHIP AND ALL MONTHLY PAYMENTS. I fully understand that "ALL" monthly payments to the co-op must be kept current. Otherwise Late Charges will be assessed and the required Default Repossession Notices delivered with appropriate legal action as necessary. Failure to keep monthly payments current could result in my Membership being removed from the availability list.

I have made the following Improvements to my Membership, in accordance with the Improvement/Transfer Value Sheet, which includes carpeting, vinyl, mini blinds, etc. I will provide documentation, receipts or canceled checks, which list date of purchase and amount (see attached sheet for itemized Improvements).

I FULLY UNDERSTAND THAT IT IS NOT THE RESPONSIBILITY OF CONCORD VILLAGE TO NEGOTIATE IMPROVEMENTS. I ALSO UNDERSTAND THAT "TRANSFER VALUE" IS A NON-NEGOTIABLE ITEM.

The co-op maintains the position that it is up to the Member to accept or reject any offer for Improvements. However, at such a time as default occurs, including non-payment or any

events of default, Management reserves the right to Transfer Membership; deduct all reasonable charges, including monthly payments, court costs and attorney fees.

When the present Member has completely moved out of the premises, and prior to the signature of required documents and exchange of funds, a possession inspection will be performed with the out going Member, new Member and Maintenance Supervisor. All parties must be in mutual agreement that any repairs completed are satisfactory, or, if any items are still outstanding as everyone must sign off on the unit.

It is agreed that the Corporation or Management shall not be held liable for damage caused by the exercise of their discretion, nor for any other reason. The Corporation or Management shall not be held liable for forgeries, false impersonations, false statements or failure of either in coming or out going Members to fulfill his/her obligations. This authorization in no way modifies the Occupancy Agreement between the Corporation and Member.

**I HAVE READ, FULLY UNDERSTAND AND AGREE TO THE ABOVE.
RECEIPT OF COPY IS HEREBY ACKNOWLEDGED.**

OWNER _____

OWNER _____

WITNESS _____

DATE _____

MEMBERSHIP TRANSFER POLICY AND PROCEDURES

The Board of Directors adopted the following Policy and Procedures, May 15, 1996 and revised October 9, 2002. The policies and procedures are in full compliance with our Bylaws as required by our Regulatory Agreement (page 3, #5b).

Every bona fide Member of Concord Village, Inc. has signed a Membership Certificate and an Occupancy Agreement. According to the Occupancy Agreement every Member signs, a Member can only transfer their Membership in accordance with the Bylaws of the Corporation.

Anyone who lets a wait list applicant move into their unit without Corporation approval is subject to severe penalties, both legal and financial.

Sub-leasing is not permitted without Corporation approval.

The Manager is an Agent of the Corporation who must act in accordance with the Corporation documents. Final Board approval is required of all Membership Transfers.

POLICY FOR TRANSFER OF MEMBERSHIPS IS IN ACCORDANCE WITH SECTION 8-10 OF THE BYLAWS OF CONCORD VILLAGE, INC.

1. All Membership Transfers must be processed through the Concord Village, Inc. Office.
2. All Membership Transfers must be in accordance with the Concord Village, Inc. Bylaws.
3. No Transfer of Membership shall be made upon the books of the Corporation within ten (10) days preceding the Annual Meeting of the Members (Bylaws, Article III, Section 8).
4. When a Member dies, the written notice of death is equivalent to notice of intention to withdraw.
5. When a Member wishes to leave the co-op, he/she shall notify the Corporation, in writing, of such intention. This is accomplished by filling out the accompanying document, "MEMBERSHIP TRANSFER CONTRACT", and submitting it to the Concord Village Office.
6. All transfer values will be set according to the Bylaws as outlined in the written procedure "MEMBERS DESIRING TO LEAVE THE CO-OP".

PROCEDURES FOR TRANSFER OF MEMBERSHIP

- I. DEATH OF A MEMBER
 - II. TERMINATION OF A MEMBERSHIP
 - III. MEMBERS DESIRING TO LEAVE THE CO-OP
 - IV. MEMBERS DESIRING TO TRANSFER TO ANOTHER UNIT
-

I. DEATH OF A MEMBER

- A) His/Her Membership Transfers by will or intestate distribution to a Member of his immediate family (the person must qualify within "ALL" established guidelines).
- B) Immediate family (Bylaws, page 2) inheritor has sixty (60) days after Member's death to qualify for Membership, sign an Occupancy Agreement and Membership Certificate and pay "ALL" monies owed the Corporation.
- C) If a Member dies and the obligation is not assumed, the Corporation has a thirty (30) day option to purchase or to seek a prospective buyer.
- D) If the Corporation does not exercise its option, then the "Legal Representative" of the deceased Member shall be allowed to transfer the membership to any person who has been duly approved by the Corporation as an approved Member (Bylaws, Section 8, c) (see procedure for transferring Membership, III, when a Member Desires to Leave the co-op).

II. TERMINATION OF MEMBERSHIP

- A) Membership is terminated by "Termination and Repossession" procedures established in the Occupancy Agreement, Bylaws, Collection Policy and any other pertaining Corporation Documents.
- B) The repossessed Member shall deliver his/her Membership Certificate and Occupancy Agreement promptly to the Corporation.
- C) The Corporation can then;
 - 1) Repurchase the Membership at its Transfer value as defined by the Bylaws, or at the amount the retiring Member originally paid for the acquisition of the Membership Certificate, whichever is the lesser (see procedure for "Corporation Purchasing a Membership").
 - 2) Transfer the Membership to an approved applicant at a sales price acceptable to the Corporation with the retiring Member receiving the amount so determined, less the following amounts (reference Bylaws page 4, 9a, b & c).
 - a) Any amounts due to the Corporation from the Member under his/her Occupancy Agreement.
 - b) The cost or estimated cost of all deferred maintenance, including painting, redecorating, floor finishing and such repairs and replacements as are deemed necessary by the Corporation to place the unit in suitable and habitable condition for the next occupant.

- c) Legal and other expenses incurred by the Corporation in connection with default of said member and the Transfer of his/her Membership. In the event the retiring Member, for any reason, should fail for the period of ten (10) days after demand to deliver to the Corporation his/her endorsed Membership Certificate, said Membership Certificate shall forthwith be deemed to be cancelled and may be reissued by the Corporation to an approved applicant (the determination by the Corporation to be conclusive).
- d) Once the Transfer price is thus determined according to the policy established, the completion of the Transfer and "all" expenses deducted, the balance is forwarded to the repossessed Member.

III. MEMBERS DESIRING TO LEAVE THE CO-OP

- A) Any Member desiring to leave the project must fulfill the Bylaws requirement of notifying the Board in writing. **Completing the Membership Transfer Contract and all applicable documents at the Concord Village Office can fulfill this requirement.**
- B) In filling out the Transfer documents, a realistic price is set for their Improvements in accordance with the depreciated schedule provided on their Improvement/Transfer Value Sheet.
 - 1) In NO EVENT shall the Member make a profit on the Transfer of the Membership.
 - 2) The Bylaws (sec. 8, d, 3) does not allow Members to be reimbursed for Improvements in an amount in excess of the cost of the valuation formula on the Improvement/Transfer Value Sheet (all structural improvements must have been approved by the Board of Directors).
- C) All units involved in a Membership Transfer must meet the minimum standards set by H.U.D. and the Corporation.

IV. MEMBERS DESIRING TO TRANSFER TO ANOTHER UNIT

- A) A Member cannot hold two (2) Memberships at one time.
- B) A Member must qualify by family size in order to transfer to a larger unit. Documentation of a family change must be included with the written request for transfer and the additional occupants must be listed on the Occupancy Agreement for a period of six (6) months. Please refer to PROCEDURES FOR TRANSFERRING MEMBERSHIP, Section 3.
 - 1) Members presently residing in a two (2) bedroom unit must have a minimum of three (3) persons listed on the Occupancy Agreement for a period of six (6) months in order to transfer to a three (3) bedroom unit.
 - 2) Members presently residing in a three (3) bedroom unit must have a minimum of four (4) persons listed on the Occupancy Agreement for a period of six (6) months in order to transfer to a four (4) bedroom unit.
 - 3) Members who wish to transfer to a larger unit that does not meet these criteria can submit a request in writing to the Board of Directors explaining the reason for upgrading. Extenuating circumstances will be taken into account and voted on a case by case basis.

- C) A Member CANNOT transfer to a like unit (A unit to A unit, B unit to B unit, etc.)
- D) Policy statements in section III, paragraphs A, B, C & D apply to Members waiting to transfer to another unit.
- E) Member MUST be at least six (6) months current to be eligible for transfer. This means that all Carrying charges, Maintenance charges and Misc. charges have been paid on time, and that there are no outstanding charges due the Corporation (per Board of Directors Meeting dated October 28, 1999).

PROCEDURE FOR DETERMINING VALUE OF IMPROVEMENTS

1) Prior Improvement Value

A value on prior Improvements (Improvements you purchased from the previous Member) can be determined in one of the following ways;

- A) Will be depreciated in accordance with the present schedule.
- B) If you do not have documentation of previous Improvements, the prior Improvement value will be determined by the chart below;

| <u>YEARS OCCUPIED UNIT</u> | <u>% OR PRIOR IMPROVEMENT</u> |
|----------------------------|-------------------------------|
| 0 to 5 Years | 80% |
| 5 to 10 Years | 40% |
| 10 Plus Years | 0% |

IF AN IMPROVEMENT NO LONGER EXISTS, I.E. CARPET, ETC., THE VALUE WILL BE REMOVED FROM THE PREVIOUS IMPROVEMENTS.

2) Current Improvement Value:

- A) Complete the current Improvement/Transfer Value Sheet by filling out the month and the year of purchase, and the original cost of the Improvement.
 - 1) Please supply receipts or cancelled checks, for correct depreciation and verification of purchase.
 - 2) If there are no receipts or cancelled checks the Management reserves the right to "challenge" a value deemed unrealistic.
 - 3) In all cases, the final decision as to the value of an unverified Improvement rests with the Manager and the Board of Directors.
 - 4) Additional monies, FOR ITEMS NOT LISTED ON THE H.U.D. APPROVED IMPROVEMENT/TRANSFER VALUE SHEET, may be requested of the applicant for personal property; (refrigerators, washer/dryers, etc.) however, the CANNOT be a contingency of the Transfer.

PROCEDURES FOR TRANSFERRING MEMBERSHIP

- 1) After the value has been set and all required Transfer documents signed, (must be signed by "all" listed parties on the Membership Certificate) the Manager and Maintenance Supervisor will schedule a walk through to determine;
 - A) Verification of Improvements listed.
 - B) The overall condition of the unit to determine if repairs or replacements are needed and who is responsible for the repairs (Concord Village Maintenance Department or the out going Member).
- 2) Upon completion of the inspection, the Manager will finish the Improvement/Transfer Value Sheet and forward a copy of the inspection to the Member for review.
- 3) Once the Improvement price is established, eligible wait list applicants will be notified that a Membership is available and sent a copy of the Transfer Value Sheet.
- 4) The applicant will be given your phone number, home or cell (please indicate all applicable numbers on the Transfer Contract), and the times you are available to set an appointment to view your unit. **THE MEMBER IS RESPONSIBLE FOR SETTING APPOINTMENTS AND SHOWING THE UNIT, NOT MANAGEMENT.**
- 5) The applicant has forty-eight (48) hours from the time notified to view the unit. The applicant has seventy-two (72) hours from the time they view the unit to notify the Office with a "yes or no" answer for transferring the Membership (there may be some extenuating circumstances, approved by the Manager, which can lengthen the decision time). **Should the applicant fail to contact the Office after receipt of notification, they will be dropped from the Wait List.**
- 6) The applicant must then set an appointment for an orientation and provide a Value of Occupancy Deposit.
- 7) Accepting an offer below the quoted price;
 - A) Management may not be part of the negotiation process for Improvements.
 - B) "TRANSFER VALUE" is NON-NEGOTIABLE.
 - C) You may agree to a lower Improvement price by amending the Transfer Value Sheet by notifying Management.
 - D) Any previous applicant must be contacted and offered the lower price, in standing order of the Wait List.
- 8) If all persons on the Wait List have been contacted, and no one is interested in your Membership, you may advertise the Membership in the newspaper, etc., keeping in mind that the prospects must "qualify" in accordance with the established guidelines. The qualification process may take several weeks to be approved or denied. **YOU MUST SUPPLY YOUR PERSONAL CONTACT NUMBER IN "ALL" ADS PLACED IN NEWSPAPERS, ETC.** You may pick up a New Membership Application at the Office, which clearly stipulates qualifications. This option is only available if all Wait List applicants have been exhausted.
- 9) The Membership is not considered "off the availability list" until the Transfer is approved by the Manager and Board of Directors, the outgoing Member and the applicant agree on terms, date of occupancy, an orientation with Management has taken place and the "Value of Occupancy" deposit has been paid. The deposit check must be made out to Concord Village, Inc. **NO FINAL TRANSFER FIGURES ARE INCLUSIVE OF THE VALUE OF OCCUPANCY DEPOSIT.**
- 10) The outgoing member will be responsible for all monies owed on his/her account including the pro-rated amount through the date of possession.

- 11) At the time of receipt of the deposit, the Member, the applicant and Office must set an appointment for the Transfer. A legal representative, for either party, may be present for the Transfer (a notarized statement must be provided for proof of legal representation).
- 12) All parties, or the Legal Representatives, must be present for the Transfer. If any party is more than 15 minutes late, the Transfer may be re-scheduled.
- 13) After the Transfer, a second "Possession Inspection" will be scheduled to determine that "all" required repairs have been completed. Again "all" parties must be present.
- 14) Only cashier's checks will be accepted at the Transfer, the buyer will produce the following four checks:
 - A) Improvement Check payable to seller;
 - B) Equity Check payable to Concord Village, Inc.;
 - C) Value of Occupancy Check payable to Concord Village, Inc.;
 - D) Prorate or full month's Carry Charge payable to Concord Village, Inc.
- 15) All Transferees will be charged \$100.00 to process the paperwork. The \$100.00 must be paid at the time the Membership Transfer Contract is signed and is **NON-REFUNDABLE**.
- 16) In the event any dispute seems unresolvable, Management reserves the option to discontinue the Transfer and re-schedule for another time.

a community owned and operated by its residents

CONCORD VILLAGE, INC.

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PROCESSING FEE CONTRACT

I/we _____, understand that there will be a **NON-REFUNDABLE \$100.00** Processing Fee included for the paperwork involved in assisting with the process of the transfer of my membership and that it shall be paid on the day the transfer papers are signed by I/we and Concord Village Management.

"THE PROCESSING FEE IS NON-REFUNDABLE SHOULD YOU DECIDE TO REMOVE YOUR MEMBERSHIP FROM THE AVAILABILITY LIST."

I/we also understand that the "Equity Check" will be released only after the transfer has occurred, the unit has been vacated and a final walk through has been completed.

Member

Member

Concord Village Representative

Date

Updated 4-23-09

CONCORD VILLAGE, INC.
IMPROVEMENT/TRANSFER VALUE SHEET

| | | | | | | |
|------------------------------|-------|-----------------------|--------------------------|-------------------------------|-----------------------|----------------------|
| NAME: | | PHONE: | | MOVE IN DATE: | | |
| | | | | | | |
| IMPROVEMENT | | LIFE IN MONTHS | MO/YR IMPROVEMENT | MONTHS USED | ORIGINAL PRICE | CURRENT VALUE |
| WINDOWS | | | | | | |
| Sunscreens | | 24 | | | | |
| Window Tint | | 24 | | | | |
| Mini-blinds | | 60 | | | | |
| Vertical Blinds | | 60 | | | | |
| Shutters | | 120 | | | | |
| Wrought Iron | | 120 | | | | |
| Windows/Double Pane | | 100% | | | | |
| FLOORS | | | | | | |
| Vinyl | | 36 | | | | |
| Hardwood/laminate | | 120 | | | | |
| Carpet/threshold | | 60 | | | | |
| Clay Tile | | 120 | | | | |
| Ceramic Tile | | 120 | | | | |
| DOORS | | | | | | |
| Security Door | | 60 | | | | |
| Front Door | | 60 | | | | |
| Closet Door(s) | | 60 | | | | |
| Arcadia Door/French Door | | 120 | | | | |
| Interior Door(s) | | 60 | | | | |
| MISCELLANEOUS | | | | | | |
| Upgraded Light Fixtures(s) | | 60 | | | | |
| Ceiling Fans | | 60 | | | | |
| Fan Boxes/Electrical | | 100% | | | | |
| Sinks/Fixtures | | 120 | | | | |
| Tub Enclosure | | 60 | | | | |
| Dishwasher/Microwave | | 84 | | | | |
| Cabinet Replacement/Refinish | | 120 | | | | |
| Countertop Replacement | | 120 | | | | |
| Insulation | Prior | 100% | | | | |
| Air Turbines | Prior | 100% | | | | |
| Patio Cover | Prior | 100% | | | | |
| Telephone Jack | | 100% | | | | |
| Hose Bib | | 100% | | | | |
| Carport Cover | Prior | 100% | | | | |
| Room Addition | | \$5,000.00 | | | | |
| IMPROVEMENT TOTAL | | | | | | |
| PRIOR IMPROVEMENTS | | | | IMPROVEMENT VALUE \$ | | |
| | | | | | | |
| EQUITY | | | | TOTAL SELLING PRICE \$ | | |
| | | | | | | |

IT IS THE BUYERS RESPONSIBILITY TO VERIFY IMPROVEMENTS AND THE VALUE ASSIGNED. MANAGEMENT IS NOT RESPONSIBLE FOR NEGOTIATING IMPROVEMENT VALUES.

Revised 6/23/04