

ALAMEDA'S COOPERATIVE SHAREHOLDER OCCUPANCY AND RESIDENT AGREEMENT

THIS AGREEMENT, DATED _____ BY AND BETWEEN ALAMEDA'S COOPERATIVE (hereinafter referred to as) THE "COOPERATIVE" and _____ (herein after referred to as) TENANT SHARE Shareholder.

WHEREAS:

The purpose of the Cooperative is to acquire, own, and operate a senior cooperative housing project and its Tenant Shareholders shall have the right to occupy its dwelling units under the terms and conditions set forth in this agreement:

1) A "Tenant Shareholder" is the owner of a Cooperative share certificate and intends to occupy a dwelling unit in the project as a residence; and shareholder has certified to the accuracy of the statements in shareholder's application.

TO HAVE AND TO HOLD dwelling unit Number _____ on the terms and conditions set forth in this agreement, in the corporate charter, bylaws, and any other rules and regulations of the Cooperative. This occupancy agreement shall be perpetual, providing shareholder remains a shareholder, adheres to this occupancy agreement and observes the "house rules".

ARTICLE 1. COOP FEE

A. General. Commencing at the time indicated in ARTICLE 2, the

Shareholder agrees to pay \$400 monthly to the Cooperative: a sum referred to as the "COOP FEE". This amount will be equal to one NINTH proportionate share of the total amount required by the Cooperative, as estimated by its board of directors, to meet its annual expenses. Any share loan (mortgage) payment a shareholder may have will be in addition to the monthly coop fee.

The monthly coop fee includes, but are not limited to, the following items:

- Project operating expenses and cost of services furnished.
- Necessary management reserve and administrative costs.
- Taxes and assessments levied against the project or the Cooperative which it is required to pay.
- Fire and extended coverage insurance on the project any other insurance which the Cooperative may require.
- The cost of furnishing any water, electricity, heat, gas, garbage and trash collection, and other utilities, if furnished by the Cooperative.
- Payments to other reserves set up by the board of directors.
- Estimated costs of repairs, maintenance, and replacements of project property to be made by the Cooperative.
- The amount of principal, interest, and any other required payments on any indebtedness of the Cooperative.
- Any other expenses of the Cooperative approved by the board of directors, including operating deficiencies, if any for prior periods.

B. Amount of COOP FEE: The board of directors shall determine the amount of the coop fee annually, but may do so at more frequent intervals should circumstances so require. No shareholder shall be charged with more than the appropriate

share determined by the board of director. The monthly charge for the above-mentioned dwelling unit shall be \$400.

C. Late Charges. In addition to all other sums due or to become due under this agreement, Shareholder shall pay to the Cooperative a late charge, not to exceed \$50.00, at any time payment of occupancy charges, or part thereof, is more than 30 days late. This late fee may be waived, depending on the circumstances and at the discretion the Board. Payments made more than 30 days late shall accrue interest at a rate of 5% per annum.

ARTICLE 2. Initiation of the Coop fee:

A) After thirty days' notice by the Cooperative that the dwelling unit is available for occupancy or upon acceptance of occupancy, whichever is earlier, Shareholder shall make a payment for coop fee covering the unexpired balance of the month. Thereafter, Shareholder shall pay coop fee in advance on the first day of each month.

B) All tenant shareholder units will be brought up to any "guesthouse" rental program standards prior to Cooperative fee commencing and occupancy by the tenant shareholder.

ARTICLE 3. Reserved .

ARTICLE 4. OCCUPANCY.

Section A. Peaceable Possession. In return for Shareholder's continued fulfillment of the terms and conditions of this agreement, the Cooperative agrees that the Shareholder may at

all times while this agreement remains in effect, have and enjoy for the Shareholder's sole use and benefit the dwelling unit and community facilities herein above described.

Section B. Occupancy. Shareholder shall occupy the dwelling unit covered by this agreement as a private dwelling unit for the Shareholder (over 55) and/or other adult in household and for no other purpose. The Shareholder shall have use of all common community property and facilities of the project so long as Shareholder continues to own a shareholder certificate of the Cooperative, occupies the assigned dwelling unit, and abides by the terms of this agreement. Residential occupancy is limited to to two persons.

Section C. Authorized Use of Premises. Shareholders shall use the premises and the common property and facilities in conformance with the terms of this agreement, the bylaws, and the rules. Use of the premises or any part of the premises for any purpose contrary to the interests of the Cooperative or its shareholders as determined by the Cooperative or contrary to law is not authorized. It shall be the duty of the Shareholder to respect the comfort and peace of mind of neighbors as well as of all shareholders and guests of the Cooperative, not to engage in conduct that is objectionable conduct, and to ensure that all persons occupying or visiting the premises so act. Shareholder agrees not to do or allow to be done, or keep or allow to be kept upon the premises, anything that will increase the rate of insurance on the premises or do or allow to be done any act or thing that shall or may be a nuisance, annoyance, inconvenience, or damage to the Cooperative or its shareholders or tenants, or to the occupants of adjoining dwellings or of the cooperative common property.

Section D. House Rules. The board may impose any reasonable House Rules not inconsistent with the bylaws, and may change the rules from time-to time as in its judgment may be necessary or desirable for, among other purposes, the safety, care, and cleanliness of the premises, common facilities, and surrounding dwellings, and for the preservation of good order, comfort therein, and Shareholder agrees to observe and comply faithfully with such rules, and agrees that all persons occupying or visiting in the premises also shall observe and comply with such rules.

Section E. Duration of Occupancy. It is agreed that the occupancy shall be in perpetuity as long as a Tenant Shareholder abides by the house rules and pays their monthly coop fee.

ARTICLE 5. OPERATING SERVICES, UTILITIES AND RESERVES.

Section A. Duties of the Cooperative. The Cooperative shall: (i) provide necessary management and administration of the Cooperative; (ii) provide for the payment of all taxes and assessments levied against the Cooperative; (iii) procure and provide for the payment of fire and extended coverage and public liability insurance and provide purchase of such other insurance or self-insurance, coverage and protection as the board may deem advisable, including insurance on the premises, but such insurance or self-insurance shall NOT cover Shareholder's personal property, including alterations, betterments, or

improvements in, on, or appurtenant to the premises; (iv) set up reserves to cover contingencies, repurchases, and future costs of replacements; and (v) subject to different provisions that may be contained in the rules from time-to time, pay for all current repairs, maintenance and replacements on the items provided by the Cooperative in accordance with the general maintenance program described in this agreement, except that repairs, maintenance, and replacements necessitated by the negligence of Shareholder or any person occupying or visiting in the premises shall be paid for by the Shareholder.

Section B. Shareholder Duties. Heating, hot water, water and sewer charges are not individually metered and billed, and Cooperative shall pay for these charges directly to the appropriate utility companies. Air conditioners are not allowed in any of the tenant shareholder units. If desired, the share shareholder must request one and if approved, may incur an additional energy charge. Garbage disposal units are not allowed.

ARTICLE 6. MAINTENANCE AND REPAIRS.

Section A. General Maintenance Program. The Cooperative shall have the exclusive authority to direct from time-to-time the manner of maintaining, repairing, and replacing the premises and the equipment in the premises owned by the Cooperative. The expense of making all repairs or taking any other action necessitated by negligence of Shareholder or of persons occupying or visiting the shareholder on the premises shall be paid entirely by Shareholder.

Section B. Shareholder Maintenance Responsibilities.

Shareholder agrees to repair and maintain Shareholder's dwelling unit at own expenses as follows:

- Any repairs or maintenance necessitated by Shareholder's own negligence or misuse;
- Any redecoration of own dwelling unit authorized, done or contracted for by Shareholder. Some authorized repairs or improvements on a tenant shareholders dwelling unit may be reimbursable to the shareholder.

Section C. Access to Premises. Shareholder agrees to the right of the officers or management of the Cooperative to authorize entrance to Shareholder's dwelling unit in order to complete necessary repairs, maintenance, and replacements and to authorize entrance for such purposes by employees of any contractor, utility company, municipal agency, or others at any reasonable hour of the day and upon reasonable notice. In the event of emergency, the unit may be entered at any time. Notification of entry will be left for the shareholder by the person performing the maintenance or repair.

Section D. Alterations and Additions. The Shareholder shall not, without the written consent of the Cooperative make any wall, floor or structural alterations in the premises or in the water, gas, electrical conduits, plumbing or other fixtures connected therewith, or remove any additions, improvements, or fixtures from the premises.

ARTICLE 7. EFFECT INTERESTS OF Shareholder OF SEVERE DAMAGE OR LOSS.

Section A. In the event of loss or damage by fire or other casualty to Shareholder's dwelling unit without fault or negligence of Shareholder, the Cooperative shall determine (1) whether to restore the damaged premises and, if not, (2) provide an alternative unit, if available, for the share shareholder and (3) amount of reimbursement, if any, due shareholder for losses.

Section B. If, under such circumstances, the Cooperative decides to restore the premises, coop fees shall stop wholly or partially, as determined by the Cooperative, until the premises have been restored. If, on the other hand, the Cooperative decides not to restore the premises, the coop fees shall cease from the date of such loss or damage.

ARTICLE 8. SUBLETTING and the GUESTHOUSE Program

Section A. Tenant Share shareholders shall not under any circumstance sublet or sublease their unit privately. Any attempt to do so shall, at the option of the Cooperative, will result in termination and forfeiture of Shareholder's residential rights under this occupancy agreement.

Section B. When on vacation or otherwise not occupying their unit, Tenant Share Shareholders have the option of participating in the Cooperative's Guest House rental program. Their dwelling unit will be rented out on a nightly or weekly basis. When their specific dwelling unit is rented out through the guesthouse program, 50% of the rental income from their unit will be credited to their Tenant Shareholder account. All bookings for nightly and weekly stays through the Guesthouse program are done through the Cooperative's property management office. Participation in

the guesthouse program is voluntary and requires an additional written agreement between the Cooperative and the Tenant Share shareholder.

ARTICLE 9. TRANSFERS.

Neither this agreement nor Shareholder's right of occupancy shall be transferrable or assignable except as provided in the bylaws of the Cooperative. When a tenant Share shareholder wishes to sell their share, their specific unit returns to the cooperative. Share shareholders do not "own" their residential unit. Since all units are not equal, the COOP maintains a waiting list, based on seniority, for moving into different units. Once a share shareholder notifies the cooperative that they want to sell their COOP market equity share, the Cooperative will notify those current tenant share shareholders, that the unit may become available. The "unit" cost to transfer the unit is based on "limited equity" formula. The share shareholder selling their share can also get returned the cost any Board authorized improvements, made by a licensed contractor. A tenant share shareholder will not be reimbursed for their personal labor, however, if they did do authorized work themselves, they can get reimbursed for any materials. All renovation receipts must be kept on file in the Cooperative property management office. No receipt, no reimbursement on dwelling unit transfer.

ARTICLE 10. TERMINATION/EFFECT OF TERMINATION.

Section A. General. This agreement will terminate according to and subject to the terms in this agreement and, as applicable, the bylaws. All of Shareholder's rights and interest in the residential use of the premises shall terminate immediately when this agreement terminates or when the Share Shareholder sells/transfers their share.

Section B. Definition. If, at any time after the happening of any event specified in clauses (a) through (j) below, the Cooperative gives to Shareholder a (30)-day notice of termination, this occupancy agreement and all Shareholder's tenancy rights under this agreement will expire on the date specified in such notice. In the meantime the default may be cured in a manner deemed satisfactory by the Cooperative. After such expiration of Shareholder's rights, the Cooperative may reenter the dwelling unit and remove all persons and personal property therefrom, by any means available to it by law, and may repossess the dwelling unit in its former state as if this agreement had not been made.

- (a) If, during the term of this agreement, Shareholder ceases to be the owner and legal shareholder of a shareholder certificate of the Cooperative
- (b) If Shareholder attempts to transfer or assign this agreement in a manner inconsistent with the provisions of the bylaws.
- (c) If, during continuance of this agreement, Shareholder is declared bankrupt under the laws of the United States so as to be released from any debt or obligation to the Cooperative or to interfere with his full exercise of his/her rights as Shareholder and occupant.
- (d) If, during continuance of this agreement, a receiver of Shareholder's property is appointed under the laws of the United States or of any State.
- (e) If, during continuance of this agreement, Shareholder shall make a general assignment for the benefit of creditors.
- (f) If, during continuance of this agreement, any of the shareholders rights in the Cooperative are duly levied upon and sold under the process of any court.
- (g) If Shareholder fails to effect and/or pay for repairs and maintenance as provided for in Article 6.

- (h) If Shareholder fails to pay any sum due pursuant to Article 1.
- (i) If default occurs with respect to any obligation of Shareholder under this agreement.
- (j) Reserved

Section C. Re-entry. Shareholder hereby expressly waives any and all right to reenter the dwelling if the eviction is by judgment of any court or judge. The words “enter,” “reenter,” or “reentry” as used in this agreement are not restricted to their technical legal meaning. In the event of a breach by Shareholder of the terms of this agreement, the Cooperative shall have the right of injunction and the right to invoke any remedy allowed at law or in equity, as if reentry, summary proceedings, and other remedies were not provided for.

Section D. Remedies. Failure by the Cooperative to avail itself of any remedy given under this agreement shall not waive or destroy any right of the Cooperative to avail itself of remedies for any similar or other breach or default by Shareholder

Section E. Notice. Notice by the Cooperative under any of the conditions described in Article 10 shall be in writing.

ARTICLE 11. SUBORDINATION.

This agreement and all rights, privileges, and benefits hereunder shall be at all times subject and subordinate to any lien of any mortgage, deed of trust, chattel mortgage, note or other instrument made by the Cooperative or on the property of the Cooperative in existence at the time of this contract or hereinafter created. Shareholder hereby agrees to execute, at the Cooperative’s request and expense, any instrument which the Cooperative or any lender or mortgagee may deem necessary or desirable to subordinate this agreement to any such security instrument. Shareholder hereby appoints the Cooperative and

each and every officer thereof, and any future officer, as irrevocable attorney-in-fact during the term of the agreement to execute any such instrument on behalf of Shareholder.

ARTICLE 12. PERSONAL LIABILITY OF SHAREHOLDER FOR DEBTS OF THE COOPERATIVE.

Shareholder shall not be personally liable for any debt or other obligation of the Cooperative. In the event the Cooperative becomes insolvent or a receiver is appointed to take possession of the Cooperative property, or the Cooperative makes an assignment for the benefit of creditors, or is granted relief under any bankruptcy statute, then at any time within a period of thereafter, Shareholder shall have the right and option to terminate this agreement by serving notice of such termination on the Cooperative or its representative, and except such liabilities as have accrued and are due and payable on the the date of the exercise of this right and option, all liabilities Shareholder has assumed hereunder shall cease and terminate upon serving notice of such termination.

ARTICLE 13. PAYMENT OF LEGAL EXPENSES.

Shareholder and the Cooperative hereby agree that in any legal action in any forum brought by Shareholder against the Cooperative or against any of its directors, officers, or employees relating to any act of omission under this agreement, the bylaws, or the rules, which action is decided against the Shareholder, Shareholder shall pay the expenses of the Cooperative and its directors, officers, and employees resulting from that legal action. The term "expenses" includes but is not limited to actual attorneys' fees and all other costs (including administrative costs), fees, disbursement, and court fees incurred.

ARTICLE 14. CONDEMNATION PROCEEDINGS.

Whenever the State, a political subdivision, or any other corporation, agency, or authority (collectively, "Condemning Authority") having the power of eminent domain shall seek to acquire any property of the Cooperative, including the premises, Shareholder agrees that the board shall have the authority to negotiate with the Condemning Authority as Shareholder's representative, and the board may execute and deliver the appropriate conveyance for all agreed consideration, except as may otherwise be provided in any mortgage or deed of trust affecting the property. The board shall allocate such consideration, whether received through negotiation or condemnation, as may be required by any shareholder of a lien on the property or, in the sole discretion of the board, to the repair, replacement, or restoration of the property, or to Shareholders holding mutual ownership contracts for the premises that were the subject of such negotiations or condemnations. Subject to the foregoing provisions, in any condemnation proceeding, Shareholder and Shareholder's authorized assignees shall be entitled to seek just damages for the taking of the premises as allowed by law, including severance damages, if any.

ARTICLE 15. MISCELLANEOUS.

Section A. Notices. Whenever any bylaw of Cooperative, any law, or this agreement requires notice to be given to either party, any notice or demand by the Cooperative to Shareholder shall be considered to have been duly given if the same is delivered to Shareholder at Shareholder's dwelling unit or to Shareholder's last known address. Any notice or demand by Shareholder to the Cooperative shall be considered to have been duly given if delivered to an officer of the Cooperative. Such notice may also

be given by depositing same in the United States mails addressed to Shareholder as shown on the books of the Cooperative, or to the president of the Cooperative, as the case may be, and the time of mailing shall be the time of giving such notice.

Section B. Representations. No representation other than those contained in this the charter and the Bylaws of the Cooperative shall be binding upon the Cooperative.

Section C. Modification of the Agreement. This agreement may be changed or modified by an amendment to the bylaws approved by the Cooperative shareholders as provided in the bylaws. Except as provided in the preceding sentence, no change or modification of this agreement shall be valid unless the same shall be in writing and signed by the parties to this agreement.

Section D. Severability. The provisions of this agreement are severable and in the event any provision of the agreement conflicts with applicable law or is found to be invalid, such conflict or invalidity shall not affect the other provisions of this agreement.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be signed and sealed the day and year first above written.

(Cooperative)

(Seal)

(Shareholder)

TO BE DULY ACKNOWLEDGED