

Dos Pinos Housing Cooperative, Inc.
Membership Agreement
(Formal Application for Membership)
(Revised Spring 2000)

Unit#: _____

Unit Size: _____

1. Membership Fee

- a. I/We _____, legal resident(s) of the State of California, hereinafter called the "Applicant," in consideration of the mutual promises of other Applicants, and other good and valuable considerations, hereby apply for membership in Dos Pinos Housing Cooperative, a limited equity cooperative housing corporation hereinafter called the "Corporation," which membership has a Membership Fee of \$ _____.
- b. I/We hereby agree to pay this Membership Fee as follows:
1. A \$ _____ deposit upon signing this document, to be put in escrow (which amount is refundable only as described in Paragraph 6).
 2. \$ _____ balance of the Membership Fee, to be paid upon demand of the Corporation and before signing the Occupancy Agreement, after which time the Membership Certificate shall be issued.

2. Ratification of Other Provisions. I/We hereby ratify and agree with the provisions contained in the Articles of Incorporation, Bylaws, and Occupancy Agreement, receipt of which is hereby acknowledged.

3. Priority of Mortgage Lien. This Agreement and all rights hereunder are and at all times shall be subject and subordinate to the lien of the mortgage and accompanying documents to be executed by the Corporation to a lending institute; and to all modifications, extensions, and renewals thereof; and to any mortgage or deed of trust which may at any time thereafter be placed on the property of the Corporation or any part thereof.

4. Occupancy Agreement. The Applicant, if approved for membership by the Board of Directors, will be entitled to occupancy of the aforesaid dwelling unit in the Cooperative under terms of the Occupancy Agreement. It is estimated that the current assessment charge per month for said unit is \$ _____. This charge is subject to fluctuations as provided for in the Occupancy Agreement. I/We agree to execute the Occupancy Agreement on demand and to comply with all the terms thereof.

5. Limited Equity. The appreciating value of the equity will be limited as to the Members as detailed in the Bylaws. The remaining equity will belong to the Corporation. Under no circumstances may the Corporation equity be assigned to or become a component of Member equity.

6. Cancellation Provisions

- a. By Corporation. The Corporation reserves the right at any time before it has notified the Applicant of his/her acceptability for membership, for reasons deemed sufficient by the Corporation, to return the amount paid by the Applicant under this Agreement, or, if the Applicant shall have died prior to becoming a Member, the Corporation reserves the right to return same to Applicant's estate or legal representative, and thereupon all rights of the Applicant shall cease and terminate without further liability on the part of the Corporation.
- b. By Applicant. If the Applicant within 5 days after the execution of this Membership Agreement notifies the Corporation in writing that he/she wishes to withdraw from the Agreement, the amounts paid by the Applicant shall be returned, and all rights and liabilities of the Applicant shall cease.
- c. Liquidated Damages. If the Applicant defaults in any of the obligations called for in this Agreement, the Corporation may pursue any remedy in law or equity that it may have against the Applicant on account of the default provided that:
 1. An amount not to exceed 3% of the membership fee shall constitute liquidated damages to the Corporation in the event of a default by Applicant; and
 2. The payment of such liquidated damages to the Corporation shall constitute the exclusive remedy of the Corporation on account of the default of the Applicant; and
 3. Liquidated damages shall be payable to the Corporation out of the Applicant's deposit toward the Membership Fee for occupancy of the dwelling unit according to the following procedures:

The Corporation shall give written notice by registered or certified mail to escrow holder and to the Applicant if the Applicant is in default under the Membership Agreement, and that the Corporation is demanding that the escrow holder remit the amount in default from the Membership Fee as Liquidated Damages unless Applicant gives appropriate written notice to escrow holder within 20 days from receipt of said notice. Should Applicant refuse to waive the right to a determination of damages by a court of competent jurisdiction, the Corporation may require that the Applicant renounce any interest in acquiring occupancy in the dwelling unit, and that he or she release the Corporation from any obligation to sell the share representing the aforesaid dwelling unit to the Applicant.

Applicant and the Corporation each agree to indemnify and hold the escrow holder harmless from any claim by the other arising out of any distributions made by escrow holder in accordance with and pursuant to the provisions of this paragraph.

The Corporation may at its option, release the obligations of the Applicant under this agreement in the event the Applicant secures an assignee of this agreement who has assumed the obligations herein contained and is satisfactory to the Corporation. This agreement is not otherwise assignable.

Initials

Initials

7. Membership Information Report. By executing this Agreement, Applicant acknowledges that he/she has received a Membership Information Report, which Report is required to contain the following: full disclosure of the financial obligations and responsibilities of cooperative membership, the resale of shares, the financing of Corporation including any arrangements made with any partners, membership share accounts, occupancy restrictions, management arrangements and any other information pertinent to the benefits, risks and obligations of cooperative membership.

Applicant

Applicant

Address

Address

Phone

Phone

Date

Date