



# APPLEWOOD POINTE

COOPERATIVE COMMUNITIES

## What is a Cooperative Community?

Cooperative housing means joint ownership and operation of a housing development by those who live in it. Cooperative members are in effect their own landlords, enabling the cooperative community to be built and operated at a very affordable cost. Each member purchases a share in the limited equity corporation. These shares provide the equity to secure a mortgage. These individual shareholding members have equal voting status in electing the cooperative board of directors from their membership. Cooperative housing combines the advantages and pride of home ownership with the conveniences of community living.

Applewood Pointe Senior Cooperatives are limited equity cooperatives, utilizing HUD (Housing & Urban Development) to guarantee the financing for the project. HUD's involvement adds oversight and regulations, which help to assure quality design and construction. HUD's guarantee then ensures the lender that payments will be made.

Applewood Pointe represents an excellent choice for today's adults 62 and better. Maintenance-free living offers security, social life, and a voice in community affairs.

## How much does it cost to purchase a Membership in Applewood Pointe?

There are two primary costs involved. The share cost is a "down payment" that purchases a share in the corporation. It is your equity, and similar to a down payment on a home.

Members also pay **monthly costs**, which include:

- Mortgage, Principal & Interest
- Real Estate Taxes
- Operating Expenses (lawn care, snow removal)
- Interior and Exterior Maintenance
- Water & Sewer
- Gas Heat
- Trash & Recycling
- Telephone, Internet, Satellite TV
- Required Reserves
- Building Liability Insurance
- Mortgage and Fire Insurance
- One Underground Parking Stall
- Professional Management

Share costs and monthly costs vary depending on the size of the floor plans. Members are responsible for the costs of their own electricity and personal contents insurance (HO6 policy).





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## What is the meaning of Dwelling Unit Value?

Dwelling Unit Value does not correlate exactly to a purchase price as is the case in a single family home or condominium. Dwelling Unit Value is used to give an estimate of the cost to deliver the cooperative unit to the members, and more importantly is a benchmark for determining annual appreciation of the unit, which is typically 2.0%, compounded annually. The Dwelling Unit Value increases with the size of each home.

## What are the tax benefits of a cooperative?

The benefits are identical to those you enjoy in your single-family home. The real estate taxes and mortgage interest associated with your new home are considered a tax deduction if you currently itemize.

## Do I get my share back if I sell my home at Applewood Pointe?\*

Yes. When your share is resold, in accordance with the by-laws of the cooperative, you and your estate receive the amount of your initial share cost, plus a fixed appreciation of the initial dwelling unit value of the home, less a \$750 transfer fee.

## How do I make a reservation at Applewood Pointe?

Each reservation requires a \$500 deposit. When we receive a signed Reservation Agreement and deposit, we will assign a priority number. The priority numbers are used to place potential owners in an order to select a home, either pre-completion of a community, or on the waitlist once the community is completed. If you change your mind for any reason, your reservation deposit is fully refundable.

## What are the “Next Steps” in becoming a member of Applewood Pointe Cooperative Community?

When you are called to select a home and you choose to proceed with the purchase, you would then make a down payment equal to the option A share cost and complete paperwork. At closing, you would pay any remaining balances.

## Who is developing Applewood Pointe Cooperative Communities?

United Properties, a leading residential and commercial real estate developer, is developing and marketing Applewood Pointe Cooperative Communities for those 62+. For more than 100 years, United Properties has been imagining new possibilities in real estate, helping to strengthen and enrich communities and creating lasting legacies. United Properties has offices in the Twin Cities and Denver. The company has developed 15 Applewood Pointe Cooperative communities in the Twin Cities serving over 2,000 resident members. Applewood Pointe continues to expand and is now developing in the Denver, Colorado market.

**All Applewood Pointe Cooperatives are SMOKE-FREE communities.**

\* Full value of your home is not guaranteed.

