

**OCCUPANCY AGREEMENT  
RIVER PARK TOWNHOUSES, INC.**

THIS IS A LEGALLY BINDING DOCUMENT. IF YOU DO NOT UNDERSTAND ANY PROVISION HEREIN YOU SHOULD OBTAIN THE ADVICE OF LEGAL COUNSEL.

THIS AGREEMENT made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2010, by and between **River Park Townhouses, Inc.** (hereinafter referred to as the Cooperative or the Corporation), a Missouri corporation having its principal office and place of business at 3999-A Topping, Kansas City, Jackson County, Missouri, and \_\_\_\_\_ hereinafter referred to as Member);

IT IS AGREED THAT: River Park Townhouses, Inc. has been formed for the purpose of acquiring, owning and operating a cooperative housing project located in Kansas City, Jackson County, Missouri with the intent that its members shall have the right to occupy the dwelling units thereof under the terms and conditions here in after set forth; and

The Member is the owner and holder of a certificate of membership of the Cooperative and has a bona fide intention to reside in the project; and

The Member has certified to the accuracy of the statements made in his application and family income survey and agrees and understands that family income, family composition and other eligibility requirements are substantial and material requirements of his initial, and of his continuing, occupancy.

In consideration of the mutual promises contained herein, the Cooperative hereby lets to the Member, and the Member hereby hires and takes from the Cooperative a dwelling unit located at and described as \_\_\_\_\_ **KCMO 64129**, on the terms and conditions set forth herein and in the corporate Charter and By-laws now or hereafter adopted pursuant thereto, from the date of this agreement, for a term terminating on \_\_\_\_\_, 2013, renewable thereafter for successive periods under the conditions provided for herein.

IT IS AGREED THAT, unless the Cooperative consents in writing (such consent not being unreasonable withheld) the premises shall be occupied only by the following persons:

\_\_\_\_\_  
\_\_\_\_\_

**ARTICLE 1, MONTHLY CARRYING CHARGES AND DOWN PAYMENT**

On or before the date of this Occupancy Agreement the Member has paid to the Cooperative: (1) a down payment in the amount of \$298.00 (which down payment is referred to in the By-laws of the Corporation as the "Value of Occupancy Agreement") and (2) the price of his membership in the amount of \$75.00.

Beginning at the time indicated in Article 3 hereof, the Member agrees to pay to the Cooperative a monthly sum referred to herein as "Monthly Carrying Charges", equal to one-twelfth of the Member's proportionate share of the sum required by the Cooperative, as estimated by its Board of Directors, to meet its annual expenses, pertaining to the community or other facilities which the Member is entitled to utilized including by not limited to the following items:

- a. The cost of all operating expenses of the project and services furnished,
- b. The cost of necessary management and administration,
- c. The amount of all taxes and assessments levied against the Cooperative's property or which it is required to pay, and ground rent, if any,
- d. The cost of fire and extended coverage insurance on the property and such other insurance as the Cooperative may obtain or as may be required by any mortgage on the property.
- e. The cost of furnishing such utilities as are furnished by the Cooperative,
- f. All reserves set up by the Board of Directors pertaining to the Cooperative,
- g. The estimated cost of repairs, maintenance and replacements of Cooperative property,
- h. The amount of principal, interest, and other required payments of Cooperative property,
- I. Any other expenses of the Cooperative approved by the Board of Directors including but not limited to operating deficiencies, if any for prior periods.

The Board of Directors shall determine the amount of the Monthly Carrying Charges annually but may do so at more frequent intervals should circumstances so required. No Member shall be charged with more that his proportionate share thereof as determined by the Board of Directors except for different

charges based on unit size or income. The amount of the Monthly Carrying Charges required for payment on the principal of the mortgage of the Cooperative or any other capital expenditures shall be credited upon the books of the Cooperative to the "Paid-in Surplus" account as a capital contribution by the members.

UNTIL FURTHER NOTICE FROM THE COOPERATIVE, THE MONTHLY CARRYING CHARGES FOR THE ABOVE-MENTIONED DWELLING UNIT SHALL BE \$\_\_\_\_\_.00.

The Member agrees, however, that if during the term of this agreement the total income of his family exceeds the limitations for occupancy which may be established from time to time by the Department of H.U.D. he will pay to the Cooperative, at the option of the Cooperative, and upon thirty (30) days' written notice, additional monthly carrying charges in the amount commensurated with the amount of his family income in excess of the H.U.D. income limitations, pursuant to plan previously developed by the Cooperative and approved by the Department of H.U.D. In no event shall the total monthly carrying charge, including such additional charges for excess income, exceed that which would have been applicable had the mortgage of the corporation borne interest at the rate of six percent per annum and a mortgage insurance premium of 1/2 of one percent been required.

#### **ARTICLE 2. INTERIM RECERTIFICATION**

If any of the following changes occur, the Member agrees to advise the Cooperative immediately:

- a. If any household member moves out of the unit;
- b. If an adult member of the household, who was reported as unemployed on the most recent certification or Recertification, obtains employment.
- c. If the household's income cumulatively increases by \$200.00 or more a month.

The member may report any decrease in income or any change in other factors considered in calculating the member's monthly carrying charge. Unless the Cooperative has confirmation that the decrease in income or change in other factors will last less than one month, the Cooperative will verify the information and make the appropriate reduction in charges. However, if the Member's income will be partially or fully restored within two (2) months, the Cooperative may delay the certification process until the new income is known, but the reduction in charges will be retroactive and the Cooperative may not evict the member for nonpayment of charges due during the period of the reported decrease and the completion of the certification process. The member has thirty (30) days after receiving written notice of any rent due for the above-described time period to pay or the Cooperative can evict for nonpayment of monthly carrying charges.

If the Member does not advise the Cooperative of these interim changes, the Cooperative may increase the Member's monthly carrying charges to the H.U.D. approved market rent. The cooperative may do so only in accordance with the time frames and administrative procedures set forth in H.U.D.'s regulations, handbooks, and instructions on the administration of multifamily subsidy programs.

The Member may request to meet with the Cooperative to discuss how any change in income or other factors affected his monthly carrying charges or assistance payment, if any. If the Member requests such a meeting, the Cooperative agrees to meet with the Member and explain how the Member's charges or assistance payment, if any were computed.

**SEE ADDENDUM A REGARDING FURTHER RECERTIFICATION REQUIREMENTS.**

#### **ARTICLE 3. WHEN PAYMENT OF CARRYING CHARGES TO COMMENCE AND CEASE**

After the Cooperative has given thirty (30) days' notice to the Member that the dwelling unit is available for occupancy, or upon acceptance of occupancy, whichever is earlier, the Member shall make a payment for Monthly Carrying Charges covering the unexpired balance of the month. Thereafter, the member shall pay carrying charges advance on the first day of each month.

The Member shall be responsible for carrying charges until such time as the membership is sold to a new member who has been approved by the Cooperative and the dwelling unit is occupied by such new member.

#### **ARTICLE 4. PATRONAGE REFUNDS**

The Cooperative agrees on its part that it will refund or credit to the member within ninety (90) days after the end of each fiscal year, his proportionate share of such sums as have been collected in anticipation of expenses which are in excess of the amounts needed for expenses of all kinds, including reserved, in the discretion of the Board of Directors.

#### **ARTICLE 5. MEMBER'S OPTION TO RENEW**

It is covenanted and agreed that the term herein granted shall be extended and renewed from time to time by and against the parties hereto for further periods of three (3) years each from the expiration of the term herein granted, upon the same covenants and agreements as herein contained unless: (1) notice of the member's election not to renew is given to the Cooperative in writing at least four months prior to the expiration of the than current term, and (2) the Member shall have on or before the expiration of said term (a) endorsed his membership certificate for transfer in blank and deposited same with the Cooperative, and (b) met all his obligations and paid all amounts due under this agreement up to the time of said expiration, and (c) vacated the premises, leaving same in good state of repair. Upon compliance with the provisions of this Article, the member shall have no further liability under his agreement and shall be entitled to no payment from the Cooperative.

**ARTICLE 6. PREMISES TO BE USED FOR RESIDENTIAL PURPOSES ONLY**

The Member shall use the premises as a dwelling unit and for no other purposes, and may enjoy the use in common with other members of the cooperative of all facilities of the cooperative community so long as he continues to own a membership in the Cooperative, occupies his dwelling unit, and abides by the terms of this agreement. Any subleases of the Member, if approved pursuant to Article 8 hereof, may enjoy the rights to which the Member is Entitled under this Article 6.

The Member and his family shall use the premises for residential purposes only. Such restriction shall not, however, prohibit a member from (1) maintaining his business records and accounting records on the premises, (2) handling correspondence or business telephone calls from the premises, or (3) other uses incidental to residential use, so long as the Member's principal place of business is not on the premises. The Member shall nor receive members of the general public on the premises for business purposes not provide goods or services from the premises.

The Member shall not permit or suffer anything to be done or kept upon said premises which will increase the rate of insurance on the building, or on the contents thereof, or which will obstruct or interfere with the rights of other occupants, or annoy them by unreasonable noises or otherwise, nor will he commit or permit any nuisance on the premises or commit or suffer any illegal act to be committed thereon. The Member shall comply with all the requirements of the Health Department and of all other governmental authorities with respect to the premises. If, by reason of the occupancy or use of said premises by the Member, the rate of the insurance on the building shall be increased, the member shall become personally liable for the additional insurance premiums.

**ARTICLE 7. MEMBER'S RIGHT TO PEACEABLE POSSESSION**

In return for the Member's continued fulfillment of the terms and conditions of this agreement, the Cooperative covenants that the Member may at all times while this agreement remains in effect, have and enjoy for his sole use and benefit the dwelling unit hereinabove described, after obtaining occupancy, and may enjoy in common with all other members of the Cooperative the use of all community property and facilities of the entire cooperative community.

**ARTICLE 8. NO SUBLETTING WITHOUT CONSENT OF COOPERATIVE**

The member hereby agrees not to assign this agreement or any interest in the unit, no to sublet his dwelling unit without the prior written consent of the Cooperative. The liability of the Member under his Occupancy Agreement shall continue notwithstanding the fact that he may sublet the dwelling unit with the approval of the Cooperative and the Member shall be responsible to the Cooperative for the conduct of his subleases. Any authorized subleasing shall, at the option of the cooperative, result in the termination and forfeiture of the member's rights under this Occupancy Agreement.

**ARTICLE 9. TRANSFERS**

Neither this agreement nor the Member's right of occupancy shall be transferable or assignable except in the same name as may now hereafter be provided in the Cooperative's By-laws for the transfer of memberships.

The Member hereby certifies that upon offering his membership for sale neither he nor anyone authorized to act for him will refuse to sell his membership, after receiving a bona fide offer, or refuse to negotiate for a sale of, or otherwise make unavailable or deny the membership to any person because of race, color, religion, national origin, sex handicap, or familial status is recognized as being illegal and void

and is hereby disclaimed. Civil action for preventive relief may be brought by the Attorney General in any appropriate U. S. District Court against any person responsible for a violation of this certification.

**ARTICLE 10. MANAGEMENT, TAXES AND INSURANCE**

The Cooperative shall provide the necessary management, operation and administration of the property; pay or provide for payment of all taxes or assessments levied against the property; procure and pay or provide for the payment of fire and extended coverage insurance, and other insurance as required by any mortgage or as the Cooperative may deem advisable on any property in the cooperative. The Cooperative will not, however, provide insurance on the Member's interest in the dwelling unit or on his personal property. The Member acknowledges that he is responsible for obtaining insurance to protect this interest in the dwelling unit and his personal property.

**ARTICLE 11. UTILITIES**

The Cooperative shall provide water to the Member in amounts which it deems reasonable. The Member shall arrange for and obtain all other utility services to his dwelling unit and shall be responsible for the payment of the same to those utility providers.

**ARTICLE 12. CONDITION OF PREMISES**

The Member has inspected the premises, and does acknowledge that the premises are in a clean, good and habitable condition and that all doors and windows are in good repair with acceptable operable locks and keys. The Member accepts the premises in the present condition thereof, agrees to keep and maintain the same in as clean and good condition as at present, and free from debris, danger of fire or any nuisance. At the termination of this agreement, the Member will deliver the premises to the Cooperative in a clean and as good condition as when he received the same.

**ARTICLE 13. REPAIRS**

**A. BY MEMBER.** The Member agrees to repair and maintain his dwelling unit at his own expense as follows:

1. Any repairs or maintenance necessitated by the Member's negligence or misuse or that of a family member, guest or visitor.
  2. Any redecoration of his own dwelling unit;
  3. Any repairs, maintenance or replacements required on items not furnished by the Cooperative;
- and
4. Any repairs or maintenance necessitated by the act of a third party.

**B. BY THE COOPERATIVE.** During his residency, the Cooperative shall provide the Member and pay for all necessary repairs, maintenance and replacements, except as specified in paragraph A of this Article. The officers and employees of the Cooperative shall have the right to enter the dwelling unit of the Member in order to effect necessary repairs, maintenance, and replacement, and to authorize entrance for such purposes by others at any reasonable hour of the day and at any time in the event of emergency.

**C. RIGHT OF THE COOPERATIVE TO MAKE REPAIRS AT MEMBER'S EXPENSE.**  
In case the Member shall fail to effect the repairs, maintenance or replacements specified in paragraph A of this Article in a manner satisfactory to the Cooperative and pay for same, the latter may do so and add the cost thereof to the Member's next month's carrying charge payment.

**ARTICLE 14. ALTERATIONS AND ADDITIONS**

The Member shall not, without the written consent of the Cooperative, make any structural alterations in the premises or in the water, gas or steam pipes, electrical conduits, plumbing or other fixtures connected therewith, or remove any additions, improvements or fixtures from the premises.

If the member for any reason shall cease to be occupant of the premises, he shall surrender to the cooperative possession thereof, including any alterations, additions, fixtures and improvements.

The Member shall not without prior written consent of the Cooperative, install or use in his dwelling unit any air conditioning equipment, washing machine, clothes dryer, electric heater or power tools.

The Member agrees that the Cooperative may require the prompt removal of any such equipment at any time, and that his failure to remove such equipment upon request shall constitute a default with the meaning of Article 15 of this agreement.

The member shall not change, re-key, or add locks to the premises without the Cooperative's approval or without providing a key to the Cooperative management.

The Member shall not perform any repairs of any mechanical device or equipment on the premises without the permission of the Cooperative.

**ARTICLE 15. DEFINITION OF DEFAULT BY MEMBER AND EFFECT THEREOF**

If any of the events specified in clauses (a) to (s) of this Article shall occur, the Cooperative shall give notice to the Member that this Agreement, and the member's rights hereunder, will terminate in not less than ten (10) days unless the default is cured in a manner satisfactory to the cooperative. It is the intention of the parties to create conditional limitations, and it shall thereupon be lawful for the Cooperative to re-enter the dwelling unit and to remove all persons and personal property there from by suitable legal action for the removal and eviction of tenants, and to repossess the dwelling unit in its former state as if this agreement had not been made:

- a. At any time during the term of this agreement the member shall cease to be the owner and legal holder of the membership of the Cooperative.
- b. The Member attempts to transfer or assign this agreement in a manner inconsistent with the provisions of the By-laws.
- c. At any time during the term of this agreement the member shall file a voluntary petition in bankruptcy or be declared a bankrupt under the laws of the United States or of any State.
- d. At any time during the term of this agreement a receiver of the member's property shall be appointed under any of the laws of the United States or of any State.
- e. At any time during the term of this agreement the member shall make a general assignment for the benefit of creditors.
- f. At any time during the term of this agreement the membership rights of a member in the cooperative shall be duly levied upon and sold under the process of any court.
- g. The member fails to effect and/or pay for repairs and maintenance as provided in Article 13 hereof.
- h. The member shall fail to pay any sum due pursuant to this agreement.
- I. The member shall fail in his performance of any of his obligations under this agreement.
- j. The member shall fail to pay any charge which, if not paid, could become a lien against the property.
- k. At any time during the term of this agreement the limitations for occupancy, which may be established from time to time by the Department of H.U.D are exceeded.
- l. At any time during the term of this agreement, the member fails to comply promptly with requests by the Cooperative of the Department of H.U.D. for information and certifications concerning the total current income of the member and his family, the composition of the member's family, and other eligibility requirements for occupancy in the cooperative.
- m. If the member, his family, or his guest shall interfere with the peaceable possession, enjoyment, or other contractual rights of another member of the Cooperative.
- n. If the member shall do any act which increases any insurance premiums for the Cooperative or its property, or causes any policy of insurance to be canceled or not to be renewed.
- o. If the member violates any law, statute, ordinance or regulation of any government authority pertaining to the premises or his occupancy thereof.
- p. If the member shall commit any criminal act on the premises of against the Cooperative, its property, employees agents, or members.
- q. If the member shall commit any other act which shall interfere with or disrupt the livability of his unit, or other member's units, adversely affect the health, safety, peaceful possession or quiet enjoyment of another member, interfere with the management of the property or the duties of any employee of the Cooperative, or have an adverse financial effect on the Cooperative.
- r. If the member shall violate any other provision of this agreement or the rules or regulations of the Cooperative.
- s. If the member maintains a pet on the premises, without the prior written permission of the Cooperative and upon such conditions and terms as determined by the Cooperative.

The Member understands and agrees that he is responsible for his family, guests, and visitors and that any violation of the Cooperative's rules and regulations, or of this agreement, by the member's family, guest, or visitors shall be considered a violation of the member.

**ARTICLE 16. REMOVING VEHICLES AND OTHER PERSONAL PROPERTY**

The Cooperative reserves the right to control all parking areas. All vehicles shall be kept properly licensed, insured and in good operating conditions. No vehicles shall be parked in a fire lane. The Cooperative may remove, without liability, any vehicle from a fire lane or any vehicle which is in violation of any law, ordinance, rule, regulations or provision of this agreement at any time at member's expense, without any notice whatsoever.

**ARTICLE 17. LANDLORD-TENANT RELATIONSHIP**

The Member expressly agrees and understands that the relationship created by this Occupancy Agreement between the Cooperative corporation and the member is that of landlord and tenant. The Member does not acquire, by this agreement, any ownership interest whatsoever in the real property owned by the Cooperative.

In the event of a breach or threatened breach by the member of any covenant, condition, or provision of this agreement, the Cooperative shall have available to it all legal and equitable remedies which are available to a landlord for such breach.

**ARTICLE 18. MEMBER TO COMPLY WITH ALL CORPORATE REGULATIONS**

The Member covenants that he will preserve and promote the Cooperative ownership principles on which the Cooperative has been founded, abide by the Charter, By-laws, rules, regulations and other official publications of the Cooperative and any amendments thereto, and by his acts of cooperation with the other members, bring about for himself and his co-members a high standard in home and community conditions. The Cooperative agrees to make its rules and regulations known to the member by delivery of same to him or by promulgating them in such other manner as to constitute adequate notice. The Member hereby ratifies all agreements executed by the Cooperative on or before the date of this agreement.

The member understands that the Cooperative's Rules and Regulations, and such rules and regulations as may be adopted by the Cooperative in the future, are part of this agreement and the member's violation of such shall be violation of this agreement.

**ARTICLE 19. EFFECT OF FIRE LOSS ON INTEREST OF MEMBER**

In the event of loss or damage by fire or other casualty to the above-mentioned dwelling unit without the fault or negligence of the member, the Cooperative shall determine whether to restore the damaged premises and shall further determine, in the event such premises shall not be restored, the amount which shall be paid to the member to redeem the membership of the member and to reimburse him for such loss as he may have sustained.

If, under such circumstances, the Cooperative determines to restore the premises, monthly carrying charges shall abate wholly or partially as determined by the Cooperative until the premises have been restored. If, on the other hand, the Cooperative determines not to restore the premises, the carrying charges shall cease from the date of such loss or damage.

**ARTICLE 20. INSPECTION OF DWELLING UNIT**

The member agrees that the representative of any mortgagee of the Cooperative, the officers and employees of the Cooperative, and others with the approval of the Cooperative, shall have the right to enter the dwelling unit of the member and make inspections thereof at any reasonable hour of the day and at any time in the event of an emergency.

**ARTICLE 21. SUBORDINATION CLAUSE**

The Cooperative was constructed with the assistance of a mortgage loan advanced to the corporation by a private lending institution with the understanding between the corporation and the lender that the latter would apply for mortgage insurance under the provisions of the National Housing Act. Therefore, it is specifically understood and agreed by the parties hereto that this agreement and all rights, privileges and benefits hereunder are and shall be at all times subject to and subordinate to the lien of a first mortgage or deed of trust, and insured under the provisions of the National Housing Act, and to any and all modifications, extension and renewals thereof and to any mortgage or deed of trust made in replacement thereof and to any mortgage or deed of trust which may at any time hereafter be placed on the real property or any part thereof. The Member hereby agrees to execute, at the corporation's request and expense, any instrument which the corporation or any lender may deem necessary or desirable to affect the

subordination of this agreement to any such mortgage or deed of trust, and the member hereby appoints the corporation and each and every officer thereof, and future offer, his irrevocable attorney-in-fact during the term hereof to execute any such instrument on behalf of the member. The Member does hereby expressly waive any and all notice of foreclosure of said mortgage which may be required by law. In the event a waiver of such notices is not legally valid, the Member does hereby constitute and appoint the Corporation as his agent to receive and accept such notices on the Member's behalf.

#### **ARTICLE 22. LATE CHARGES AND OTHER COST IN CASE OF DEFAULT**

The Member covenants and agrees that, in addition to the other sums that have become or will become due, pursuant to the terms of this agreement, the member shall pay to the cooperative a late charge in an amount to be determined from time to time by the Board of Directors for each payment of monthly carrying charges, or part thereof, more than ten (10) days in arrears.

All payments by the member to the Cooperative shall first be credited to the member's outstanding balance, if any, for repairs or delinquent carrying charges, late fees, and lastly to the current month's carrying charges. If a member defaults in making a payment of carrying charges or in the performance or observance of any provision of this agreement and the Cooperative has obtained the services of an attorney with respect to the defaults involved. The member covenants and agrees to pay to the Cooperative any costs or fees involved, including reasonable attorney's fees, notwithstanding the fact that a law suit may not be instituted. In case a suit is instituted, the member shall also pay the costs of the suit, in addition to other aforesaid costs and fees, including the Cooperative's attorney's fees if the Cooperative prevails in defending a claim or counterclaim brought by the member against the Cooperative, its employees or agents.

In the event of default, if the Cooperative employs the services of any debt collector or attorney to collect any money due under this agreement the undersigned hereby consents that the debt collector or attorney may contract the undersigned at such time and places as said debt collector deems appropriate, and may contact any persons for the purpose of acquiring information to aid in the collection of any debt.

#### **ARTICLE 23. NOTICES**

Whenever the provisions of law, this agreement, or the corporate By-laws require notice to be given to either party hereto, any notice or demand by the Corporation to the member shall be deemed to have been duly given, if the notice or demand is mailed to the member at his unit or to his last known address.

The Cooperative manager and agent for receiving notices is Cheryl Suttington. The Cooperative's registered agent for the purpose of receiving service of process is Dudley Leonard. It is agreed that the Cooperative may designate another agent from time to time and shall notify the members of such change by mail or publication.

#### **ARTICLE 24. SECURITY**

The Member agrees that the Cooperative is not required to provide security guards or patrols, security lighting, security gates or fences or any other form of security.

#### **ARTICLE 25. REHABILITATION AND RESTORATION OF PREMISES/MEMBER'S OBLIGATION WHEN VACATING.**

The Member agrees to, and understands, that the obligations for payment to the Cooperative of monthly carrying charges, late charges, and/or charges pursuant to the Occupancy Agreement continue until such time as a new member occupies the dwelling unit, executes an Occupancy Agreement, and assumes responsibility for said monthly carrying charges.

The Member understands that upon vacation of the premises (whether voluntary or involuntary) he is financially responsible for restoring the premises to the condition it was in when he first occupied the premises and must meet the standards set by the Cooperative for occupancy by a new member. The Cooperative costs and expenses in rehabilitating and restoring the premises shall be deducted from the transfer value (or any other fund) which might otherwise be due the outgoing member.

The fact that a repair may be necessary as a result of normal wear and tear shall not lessen the member's responsibility under this Article

The Member will deliver all keys to the Cooperative at the termination of this tenancy. The Member shall be deemed to be in possession of the unit until such delivery.

The Member does hereby authorize and appoint the Cooperative to sell the membership owned by the member. For this service the member agrees that a service charge will be retained by the Cooperative and the Cooperative is hereby authorized to deduct such charge from the proceeds of the sale of the membership.

The balance of the proceeds from the sale of the membership will be first applied toward any amounts which may be due the cooperative under the terms of the Occupancy Agreement between the member and the cooperative for such things as monthly carrying charges, surcharges, excess over basic, late charges, attorney's fees, court cost, service charges, and the costs or estimated costs of all deferred maintenance, painting, redecorating, reconditioning, floor finishing, and such repairs, cleaning, and replacements as may be deemed necessary by the cooperative to place the dwelling unit in a suitable condition for a new occupant.

It is the responsibility of the member to contact utility companies and provide them with a forwarding address. Utilities must remain in the member's name until a new member moves in and assumes responsibility for paying the utilities.

The Member understands that the membership transfer value is to be paid by a new occupant and not by the cooperative. The member understands that neither this document nor any other agreement between the member and the cooperative obligates the cooperative to pay the member any sum of money whatsoever.

Any property of the member remaining in or on the premises, either after termination of this agreement or after member abandons the premises, may be removed or disposed of by the Cooperative without liability to the member therefore. The premises shall be deemed abandoned if (1) the Cooperative reasonably believes that the premises have been abandoned; (2) the monthly carrying charge is due and unpaid; (3) the Cooperative posts written notices on the premises and mails to the unit (or last known address member) by certified mail, return receipt requested, a notice of the Cooperative's belief of abandonment and (4) member fails to respond in writing to the Cooperative's notice within ten (10) days after the date of posting and deposit of such notice in the U.S. Mail, stating member's intention not to abandon premises.

#### **ARTICLE 26. REMEDIES**

The exercise of any of the rights or remedies as herein provided with respect to any default shall not preclude or affect the subsequent exercise of such rights or remedies at different times for different defaults.

The respective rights or remedies, whether provided by this agreement or by law, or available in equity, shall be cumulative and the exercise of any one or more of such rights or remedies shall not preclude or affect the exercise, at the same or different times, of any other such right or remedies for the same or different defaults, or for the same or different failures of the member to perform or observe any provision of this agreement. Failure of the Cooperative to insist upon the strict performance of the terms, covenant, agreements and conditions herein contained or any of them shall not constitute a waiver or relinquishment of the Cooperative's right thereafter to enforce any such term, convenient, agreement, or condition, but the same shall continue in full force and effect.

The Member hereby agrees that Jackson County, Missouri is a proper venue for any legal action under this agreement and the Member waives any question of venue for any suit brought against him by the Cooperative in Jackson County, Missouri.

The Member hereby expressly waives any and all right of redemption in case he shall be dispossessed by judgment of any Court; the words "enter" and "re-enter", as used in this agreement are not restricted to their technical legal meaning, and in the event of a breach or threatened breach by the Member of the covenants or provisions hereof, the Cooperative shall have the right of injunction and the right to invoke any remedy allowed at law or in equity, as if re-entry, summary proceedings, and other remedies were not herein provided for.

The Member understands and agrees that the Cooperative may, at its option, terminate the membership and revoke all membership rights if the member is in default of this agreement. In case of termination, the member's certificate of membership and all rights incidental thereto shall revert to the Cooperative.

#### **ARTICLE 27. MEMBER'S RELEASE AND AGREEMENT TO INDEMNIFY.**



The cooperative is not liable for personal injury or for damage to or loss of personal property in or about the premises, regardless of the cause of such injury, loss or damage, including but not limited to interruption of utilities or other casualty or occurrence. The Member, for himself, his heirs, executors, administrators, approved successors and assigns hereby releases, relinquishes and discharges, and agrees to indemnify, protect and save harmless the Cooperative, its successors and assigns of and from any and all claims, demands and liability for any injury to, including death of, persons (whether they be their persons, the Member, or employees of the parties hereto) and any loss of or damage to property (whether the same be that of either of the parties hereto or of their persons) caused by, growing out of or happening in connection with, the Member's use and occupancy of the premises, fixtures, equipment appliances, facilities, improvements and common areas located or to be located thereon, or by reason of any like or different casualty. In like manner and the extent set forth in the preceding sentence the Member agrees to exonerate and save harmless the Cooperative even though the claim, or loss or casualty is attributable to the negligence of the Cooperative. The Member agrees to be responsible for insurance on personal property, contents and liability.

**ARTICLE 28. ANTI-CRIME CONDITIONS.** The Cooperative and Member agree that the following are conditions of this lease:

a. Member, the Member's household, or the Member's guests shall not engage in criminal activity on or near cooperative's premises.

b. Member, the Member's household, or the Member's guest shall not engage in any act intended to facilitate criminal activity on or near Cooperative's premises.

c. Member, the Member's household, or the Member's guests will not permit the dwelling unit to be used for or to facilitate criminal activity regardless of whether the individual engaging in such activity is a Member of the Household or a guest.

d. Member, the Member's household, or the Member's guest will not possess, manufacture, sell , or otherwise distribute controlled substances at any location, whether on or near Cooperative's premises or otherwise.

e. Member, the Member's household, or the member's guest shall not engage in acts of violence or threats of violence, including, but not limited to the unlawful discharge of firearms, on or near Cooperative's premises..

f. VIOLATION OF THE ABOVE PROVISIONS SHALL BE A MATERIAL VIOLATION OF THE OCCUPANCY AGREEMENT AND GOOD CAUSE FOR TERMINATION OF MEMBERSHIP AND TENANCY. A single violation of any of the provisions of these conditions shall be deemed a serious violation and a material noncompliance with the Occupancy Agreement and shall be good cause for termination of the Membership and tenancy. Proof of violation shall not require criminal conviction but shall be by a preponderance of the evidence.

**ARTICLE 29. LEAD WARNING STATEMENT.**

Housing built before 1978 may contain lead-based paint. Lead from paint, paint chips, and dust can pose health hazards if not taken care of properly. Lead exposure is especially harmful to young children and pregnant women. Before renting pre-1978 housing, owners must disclose the presence of know lead-based paint and lead-based paint hazards in the dwelling. Prospective Members must also receive a federally approved pamphlet on let poisoning prevention.

**ARTICLE 30. WAIVER OF JURY TRIAL**

The Cooperative and the Member hereby waive trial by jury in any action, proceeding or counterclaim brought by any of the parties hereto against any other party on, or in respect of, any matter whosoever arising out of or in any way connected with the Occupancy Agreement, the relationship of Cooperative and Member hereunder, Member's use or occupancy of the premises (including a suit for unlawful Detainer) and/or any claim of injury or damage.

**ARTICLE 31. INTERPRETATION AND ENFORCEMENT**

**A. ENTIRE AGREEMENT.** This agreement, together with addenda, rules and regulations constitute the entire agreement between the parties. All prior understandings are merged into this Agreement. The terms of this lease shall not be modified except in writing and signed by the parties to be bound. Only the designated agent of the Cooperative shall have authority to execute any such writing.

**B. ORAL REPRESENTATION NOT BINDING.** No representations other than those contained in this agreement, the Charter and the By-laws of the corporation shall be binding upon the Cooperative corporation.

**C. RELEASES AND WAIVERS BY THE CORPORATION.** The member understands that only the Board of Directors of the cooperative corporation, acting as such, can release the member from an obligation created by this agreement, or waive any provision thereof, and that any purported release or waiver by any other person or persons what so ever, shall not be binding on the Cooperative unless ratified by the Board of Directors.

**D. JOINT AND SEVERAL RESPONSIBILITY.** It is agreed that multiple members, co-signers and guarantors are jointly and severally responsible for all terms of this agreement.

**E. SEVERABILITY.** If any part or parts of this agreement shall be unenforceable for any reason, the remainder of the agreement shall continue in full force and effect.

**F. HEADINGS.** The titles, headings, or captions in this agreement are for convenience only and are not to be construed to interpret, define, limit or change the intent or meaning of this language contained in this agreement.

**G. INTERPRETATION.** In the construction or interpretation of this agreement, the masculine gender shall be deemed to include the feminine, and the singular the plural, and vice versa.

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

**ADDENDUM A**  
**RECERTIFICATION**

Every other year around the 1st. day of March, the Cooperative will request the member to report the income and composition of the member's household and to supply any other information required by HUD for the purpose of determining the member's carrying charge and assistance payment, if any. The member agrees to provide accurate statements of information and to do so by the date specified in the Cooperative's request. The Cooperative will verify the information supplied by the member and use the

verified information to re-compute the amount of the member’s carrying charge and assistance payment, if any.

a. If the member does not submit the required recertification information by the date specified in the cooperative’s request, the cooperative may impose the following penalties. The cooperative may implement these penalties only in accordance with the administrative procedures and the time frames specified in HUD’s regulations, handbooks, and instructions related to the administration of multifamily subsidy programs.<sup>7</sup>

(1) Require the member to pay the higher, HUD- approved market rent for the unit.

(2) Implement any increase in carrying charge resulting from the recertification processing without providing the 30- day notice otherwise required by this agreement.

b. The member may request to meet with the cooperative to discuss any change in carrying charges or assistance payment (if any) resulting from the recertification processing. If the member requests such a meeting, the cooperative agrees to meet with the member and discuss how the member’s carrying charges or assistance payment if any, were computed.

**PENALTIES FOR SUBMITTING FALSE INFORMATION**

Knowingly giving the cooperative false information regarding income or other factors considered in determining member’s eligibility and carry charge is a material noncompliance with the Occupancy Agreement subject to termination of membership and tenancy. In addition, the member could become subject to penalties available under Federal law. Those penalties include fines up to \$10,000.00 and imprisonment for up to five years.

**ADDENDUM B**  
**REMOVAL OF SUBSIDY**

a. The member understands that assistance made available on his/her behalf may be terminated if events in either Items 1 or 2 below occur. Termination of assistance means that the Cooperative may make the assistance available to another Tenant and the Tenant’s rent will be recomputed. In addition, if the Tenant’s assistance is terminated because of criterion (1) below, the Tenant will be required to pay the HUD- approved market rent for the unit.

1. The Member does not provide the Cooperative with the information or reports required by ADDENDUM A, RECERTIFICATION or by Article 2, Interim Recertification, within 10 calendar days after receipt of the Cooperative’s notice of intent to terminate the Member’s assistance payment.

2. The amount the Member would be required to pay towards rent and utilities under HUD rules and regulations equals the Family Gross Rent shown on Attachment.1.

b. The Cooperative agrees to give the Member written notice of the proposed termination. The notice will advise the member that, during the ten calendar days following the date of the notice, he/she may request to meet with the Cooperative to discuss the proposed termination of assistance. If the Member requests a discussion of the proposed termination, the Cooperative agrees to meet with the Member.

c. Termination of assistance shall not affect the Member’s other rights under this agreement, including the right to occupy the unit. Assistance may subsequently be reinstated if the Member submits the income or other data required by HUD procedures, the Cooperative determines if the Tenant is eligible for assistance, and assistance is available.

**This Agreement consists of twelve (12) pages including this signature page.**

**RIVER PARK TOWNHOUSES, INC.**

**By: \_\_\_\_\_**

\_\_\_\_\_  
(Title)

MEMBER(S):

\_\_\_\_\_  
\_\_\_\_\_

Date: \_\_\_\_\_

**Form revised 10-99  
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