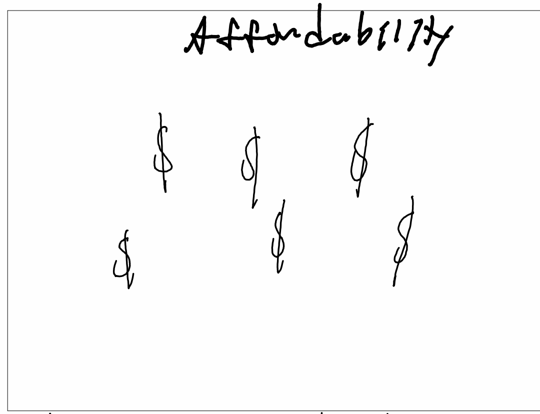
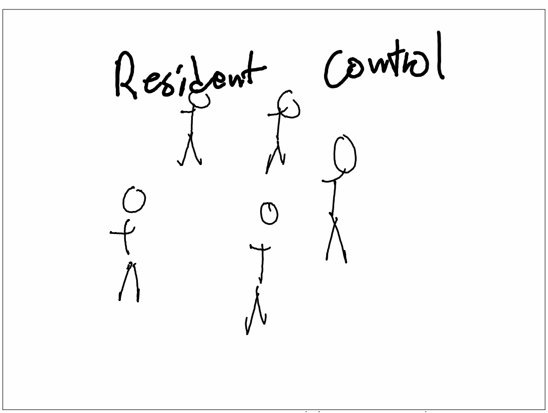
This financial plan is meant to support the co-op's goals & values.

It is inspired by other similar co-op structures.

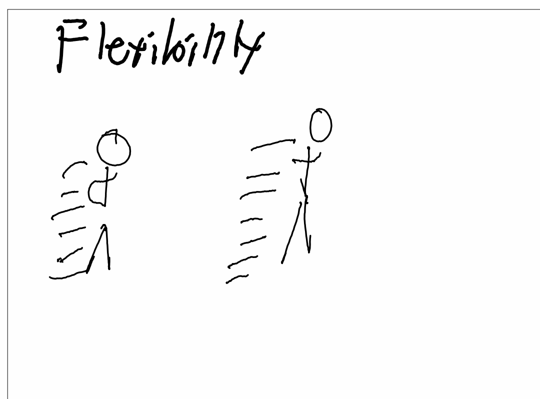


Housing should be affordable per month and not require a large initial buy in.

If any profit is made it should be distributed equitably.



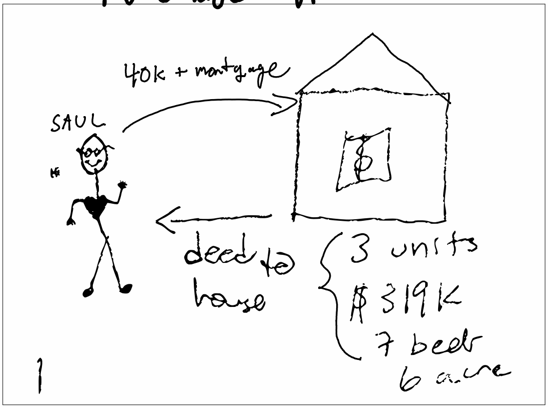
Residents should feel empowered to invest in their space and dictate how it is used and what their "rent" is spent on.



It should be easy for people to leave and new people to join, similar to renting.

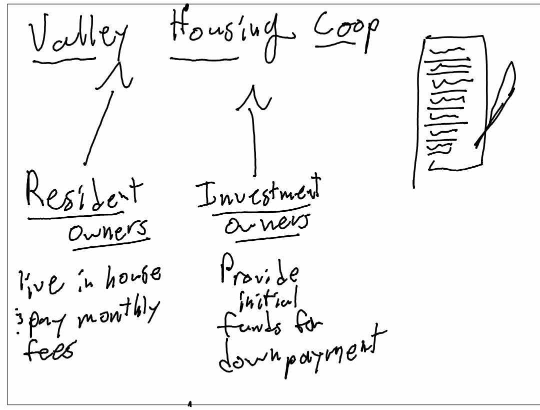
Now on to the plan. . .

Purchase House



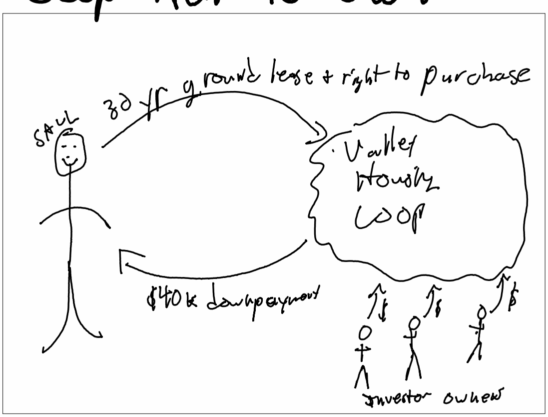
Saul goes to the bank and gets 30 year mortgage for house, and receives deed. Ideally the co-op would own it but it's harder for them to get the mortgage.

Incorporate Co-op



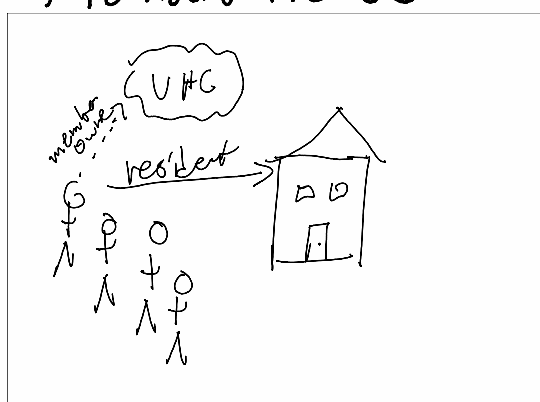
Valley Housing legally incorporates as a cooperative. It's member owners include the resident of the house & those who help with the down payment.

Coop Rent to Own



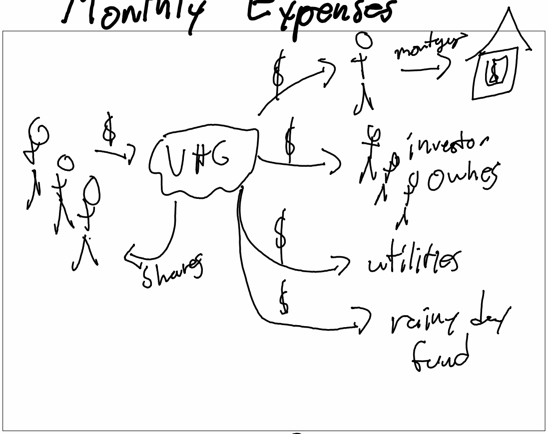
The coop raises $40k from its investor owners to pay back Saul for the down payment. In return, the coop gets a 30 year capital lease, with the right to manage it as it sees fit.

Members Reside



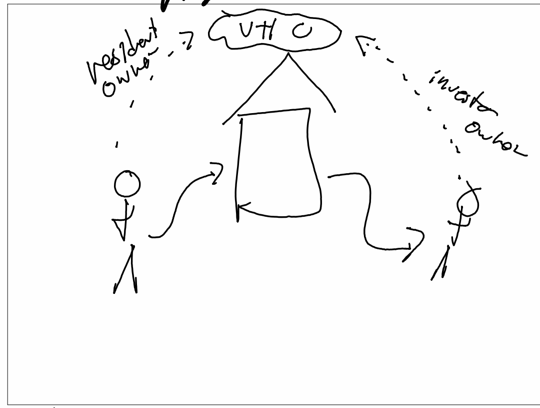
Member owners move into house and have control over how to operate house & land.

Monthly Expenses



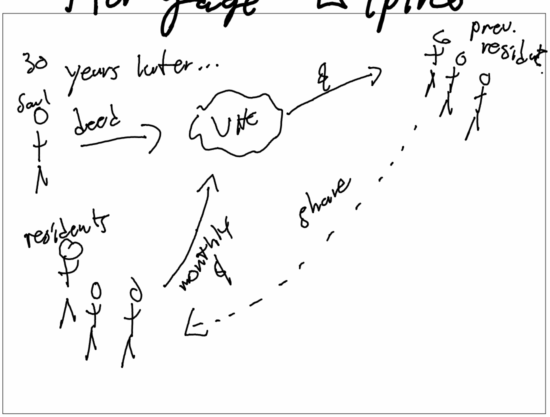
Residents pay fixed costs to the VHC every month, to cover expenses, mortgage, rainy day fund, and to pay off investors. In return, they get shares of equity in the co-op.

Changing Members



When a resident owner leaves the co-op, they stay an investor owner from the shares they accumulated. The new resident becomes a resident owner.

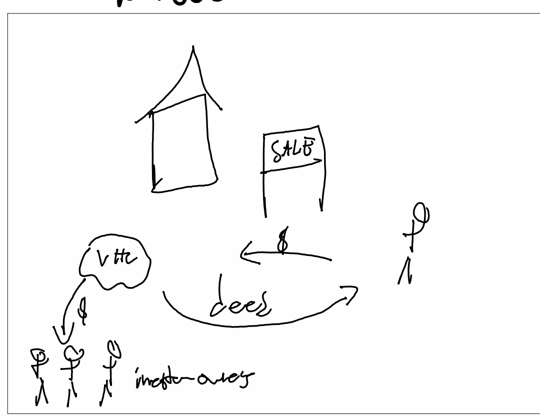
Mortgage Expires



After 30 years, the co-op completely owns the house! The mortgage and initial investor owners are repaid.

The current resident’s monthly shares now pay off the previous resident owners.

Dissolution



Whenever the members decide to dissolve the co-op, the property is sold and any profits after paying off debts are split by the owners (previous residents).