

River Acres, Inc.

Application Procedure

Gather Information

- ✓ Prior to granting applicant(s) an interview, all interested applicants are given an **Application for Membership Packet**, including the following materials:
 - Letter to Applicants
 - Living in a Resident-Owned Community
 - **Application for Membership**
 - **Consumer Authorization and Release Form**
 - **Bylaws/Community Rules/Lease Agreement Acknowledgement Form**
 - **Pet Registration, as applicable**
 - Summary of Rights under the Fair Credit Reporting Act (FCRA)
 - Notice of Right to Obtain Security Freeze Under Montana Consumer Protection Act
 - Bylaws
 - Community Rules
 - Lease Agreement

NOTE- the Fair Housing Poster must be prominently displayed in the Corporation's office or community bulletin board.

- ✓ Applications that are not filled out completely will be returned to the applicant(s), with a **Notice of Adverse Action**. The reason for the **Notice of Adverse Action** should be noted as having an incomplete application. Applicants can re-submit the application when it is fully complete. Applications are considered "complete" only if the following documents have been returned:
 1. **Application for Membership**
 2. **Consumer Authorization and Release Form**, completed by all applicants 18 years of age or older.
 3. Application fee of \$25 for each adult applicant.
 4. A copy of **photo identification** for each applicant 18 years of age or older.
 5. **Bylaws/Community Rules/Lease Agreement Acknowledgment Form**
 6. **Proof of income**, including the previous 3 month's (week's) pay-stubs and the previous year's Federal Income Tax Return(s) (if filed), proof of Social Security and/or SSD income, annuities and/or proof of any other sources of income.
 7. **Pet Registration**, if applicable.

8. **Proof of ownership** of home may be requested including a buy/sell, title, contract for purchase or deed.
- ✓ Once the **COMPLETED Application for Membership Packet** is returned to the Property Management Agent, the following steps must be taken:
- NOTE: The Corporation has 14 days after a completed application is received by the Corporation to make a written decision to approve or deny Membership. Acceptance will be assumed if not denied within that timeframe.**
- A paper file is established for the applicant(s).
 - Obtain the credit report.
 - Income and debt is evaluated to be certain that the applicant(s) can afford the carrying charges (lot rent). Social Security Income will be “grossed up” at a rate of 12% for purposes of determining income eligibility.
 - Review criminal background.
 - Call 3 references.
- ✓ If the credit report is reviewed and the applicant(s) do not meet the **Creditworthiness Criteria**, but there are items that need further review, the applicant(s) will be contacted by the Property Manager to determine if there are extenuating circumstances that should be considered. If there are, the applicant must write a letter of explanation and provide supporting documentation.
- ✓ If the application, credit report, and criminal background are reviewed and the applicant(s) **DOES NOT** meet the specifications outlined in the **Creditworthiness Criteria** and/or the **Criminal Background Criteria**, the references are bad, or the income does not support the carrying charges, the applicant(s) is disqualified.
- The Property Management Agent recommends a denial to the Board;
 - The Board officially votes to deny the application for Membership;
 - The Property Management Agent sends a **Notice of Adverse Action** letter to applicant(s).
- ✓ If the application, credit report, references and criminal background are reviewed and the applicant(s) **DOES** meet the specifications outlined in the **Creditworthiness Criteria** and/or the **Criminal Background Criteria** and the income supports the carrying charges/lot rent, the Property Management Agent recommends approval of Membership.

Board Votes to Approve or Deny Membership

- ✓ Property Manager presents a Recommendation Form to the Board and makes motion approval or rejection.
- ✓ Board votes for or against, and the vote is recorded in the minutes of the meeting.
- ✓ If the Board is not scheduled for a regular Board Meeting in time to meet the 14-day policy, a vote is taken outside of a meeting in accordance with the Bylaws of the Corporation.

- ✓ If the Board rejects the applicant(s), the Property Management Agent sends an **Adverse Action Letter** to applicant(s). (See above.)
- ✓ If the Board approves the applicant(s), the Property Management Agent sends an **Acceptance Letter** to the applicant(s) and a meeting is set up to process the final Membership paperwork.

Move-in Meeting

After the applicant(s) has been approved for Membership, the Property Management Agent sets a meeting with the newly approved Member. This meeting should be held after the buyer has final approval from their mortgage company, and as close to the closing date as possible. These tasks must be completed **PRIOR TO ALLOWING OCCUPANCY:**

- ✓ Collect the Membership Deposit of \$ 100.00. If the Membership Deposit is to be paid as part of the mortgage closing transaction, the closing company should be contacted to ensure that a check is provided to the Corporation.
- ✓ Collect the refundable Security Deposit of \$200.00.
- ✓ The **Lease Agreement** is signed and exchanged between the parties.
- ✓ The new Member(s) are provided a **Certificate of Membership** and a Member Handbook.
- ✓ Invite them to the next meeting of the Board of Directors!

This policy was approved and adopted on October 13, 2020.

Letter to Applicants River Acres, Inc.

A Resident Owned and Operated Community

Thank you for interest in our community. We hope you consider joining us as resident owners. We strive to maintain a positive and well-kept community.

About the Community

- This is a people-oriented community; we help each other
- Good water lines and sewer
- Conveniently located for natural beauty
- Clean and well maintained
- Strong sense of community
- Members (you) create and live by the Community Rules. Please read them before you join.

About Cooperative Living

- You will be an owner *and* a tenant. You will own one share in the cooperative, which collectively owns the entire community.
- Members (you) vote on the annual cooperative budget.
- Members all participate from time to time as volunteers in running the cooperative and the community, in order to keep costs down.
- The cooperative is governed by the co-op's bylaws. Please read them before you join. Ask questions, if you have them.

About the Application Process

- Complete the Application.
- Return the fully **completed** application to us with all of the requested documentation, including a non-refundable Application Fee of \$25.00 for each adult household member. This fee is required for each adult household member, age 18 or older. Please note that incomplete applications, or those that are not accompanied by all of the requested supporting documentation, will be returned to the Applicant, along with a Notice of Adverse Action.
- Attend an interview with the Membership Committee, if requested.
- Await approval by the cooperative's Board of Directors.
- Complete applications will be processed within 14 calendar days, pending criminal background reports. Applicants are notified of their acceptance or denial in writing.

After you are approved, before you may move in

- Pay your \$100.00 Membership Fee (this one-time fee is fully refundable when you sell your home, less any outstanding fees owed to the cooperative).
- Pay your \$200.00 refundable deposit fee (this is a one-time fee that is fully refundable when you sell your home or remove it from the community, less any outstanding fees owed to the cooperative and leaving your lot in good condition).
- Execute the Lease Agreement signed by all title holders and their spouses or partners in civil union, with all other household members listed.
- Pay your first monthly lot rent, \$365.00

After you move in

- Learn how the cooperative works; attend a board meeting.
- Sign up to participate on a committee.
- Get to know your neighbors - you are now part of the community!

If you have questions, please call Thane Watts with ADEA Property Management at 406-552-1418.

Living in a resident-owned community

Living in a cooperative community (“co-op”) is different than living in an investor-owned park. This type of community living is unique – homeowners in resident owned communities are not simply tenants in a park, they are *members* of a co-op and *owners* of a business. As a co-op member it is important to understand that:

- The cooperative is a business incorporated under Montana. It is owned by its members. Individual homeowners do not own the land underneath their homes; the co-op does.
- The co-op has member-approved bylaws, which spell out how the business is governed.
- The co-op is democratically governed by a one-member, one vote system. Each member-household has equal decision-making authority.
- New homeowners moving into the community are required to become members and enter into an **Occupancy Agreement**, binding them to the bylaws and community rules.
- Members elect a board of directors to carry out the day-to-day tasks of running a business. The board then appoints committees to take on other tasks.
- Members have control over big decisions, such as carrying charges (rent), approving the annual budget, electing a board and amending the bylaws or community rules.
- Members can be expelled from the cooperative (which is *different* than being evicted from the community) for obstructing the management of the co-op. This is a serious matter and not to be taken lightly – members who are expelled typically lose voting privileges and pay a higher lot rent.

The board and the appointed committee members must adhere to the co-op’s bylaws and rules, as well as to state and federal laws. They are also co-op members, and are accountable to their fellow members. They must run the co-op in a fair, consistent, democratic and business-like manner.

Co-op membership has rewards, rights and responsibilities. The strength of a resident-owned community is directly related to the participation and commitment of its members. By participating in the co-op, members can help reduce costs, build a vibrant neighborhood and grow as leaders. Participation includes everything from baking brownies for the annual community barbecue to operating the well system, from an hour a month to a two-year commitment on the board of directors.

River Acres, Inc.
Consumer Authorization and Release

(Please print clearly)

Applicant _____
First MI Last

Social Security # ___ - ___ - ___

Date of birth ____ / ____ / ____
mo day year

Current address

city state zip

How long? _____

Co-Applicant Name _____
First MI Last

Social Security # ___ - ___ - ___

Date of birth ____ / ____ / ____
mo day year

Current address

city state zip

How long? _____

I/We hereby authorize **River Acres, Inc.** to obtain my/our consumer report/credit information, credit risk scores and other enhancements to my/our consumer report (hereinafter collectively referred to as "Report") from one or more of the three national credit reporting repositories (Equifax, Experian, Trans Union) and provide a copy of the Report to:

River Acres, Inc. for the purpose of assessing my/our **Application for Membership** in said ROC. I/We understand that 'other enhancements' includes conducting a national criminal background check, to which I/we give my/our consent.

This authorization is intended to comply with a consumer report request as set forth in 15 U.S.C. 1681b(a)(2).

I/WE further authorize the **River Acres, Inc.** to contact the references listed on my/our application in order to assess my/our **Application for Membership** in said ROC.

I/WE further authorize the **River Acres, Inc.** to verify past and present landlord references in order to assess my/our **Application for Membership** in said ROC.

It is understood that a photocopy and/or facsimile of this document shall also serve as an authorization to provide the information requested.

The information obtained is only to be used in the processing of my/our **Membership Application**.

Applicant

Date

Co-applicant

Date



**Application for Membership
in River Acres, Inc.**

All information must be filled out completely. Incomplete Applications will be returned to the Applicant. If a question does not apply, place "n/a" in the space provided. Please print all information legibly.

Applying for: _____ (Address)

Current owner: _____

Applicant: _____ SS #: _____

Co-applicant: _____ SS #: _____
(if more than two applicants, please ask for an additional application)

Please provide copy of photo identification.

Current address: _____ (street)

_____ (city, state, zip)

Home phone: _____ Work phone: _____

Length of time at this address: _____

Current Landlord: _____ phone: _____

If less than three (3) years at current address, list previous addresses:

Address (street, city, state, zip):

Landlord: _____ phone: _____

Address (street, city, state, zip):

Landlord: _____ phone: _____

Applicant Employer: _____ Phone: _____

Address: _____

Co-applicant employer: _____ Phone: _____

Address: _____

Vehicle make/model: _____ Year: _____ color: _____

Vehicle make/model: _____ Year: _____ color: _____

Level of total household income: (circle)

\$0 - \$10,000

\$20,001 - \$30,000

\$10,001 - \$20,000

\$30,001 - plus

Please provide Proof of Income – 3 most recent paystubs, most recent year’s tax returns, or other similar documentation.

of persons who plan to occupy home _____

Please list three personal references who can speak to your likelihood to pay your rent in a timely manner and obey the Community Rules and be a good co-op member. References may not include relatives.

1. Name: _____ phone: _____

Relationship: _____

2. Name: _____ phone: _____

Relationship: _____

3. Name: _____ phone: _____

Relationship: _____

Please read the following information before signing this application:

To join River Acres,, I/we are aware that a Membership Fee of \$100.00 must be paid before I/we receive community approval. I/we understand that I/we may not move in until approval is made. I/we are aware that a Security Deposit of \$250.00 must be paid before I/we take possession over the property. I/we understand that the home must be lived in by the family/household purchasing and cannot be rented out. I/we understand that this application in no way guarantees my/our acceptance into the Cooperative/Community. I/we authorize the Cooperative to obtain information from current/former employers, friends and current/previous landlords. I/we hold harmless the Cooperative and its employees and/or tenants, from any action arising from these inquiries.

The cooperative does not discriminate based on age, sex, race, creed, color, marital status, familial status, physical or mental disability or national origin or on account of that person's sexual orientation in the approval of its members.

Applicant signature: _____ Date: _____

Co-applicant signature: _____ Date: _____

NOTE: Applications that are incomplete, illegible and/or are not accompanied by the proper documentation will be returned to the applicant(s).

A Summary of Your Rights Under the Fair Credit Reporting Act

The federal Fair Credit Reporting Act (FCRA) promotes the accuracy, fairness, and privacy of information in the files of consumer reporting agencies. There are many types of consumer reporting agencies, including credit bureaus that gather and sell information about your creditworthiness to creditors, employers, landlords, and other businesses. The FCRA gives you specific rights, which are summarized below. You may have additional rights under state law. For more information, go to www.ftc.gov/credit, or write to: Consumer Response Center, Federal Trade Commission, 600 Pennsylvania Ave. N.W., Washington, D.C. 20580.

You must be told if information in your file has been used against you. Anyone who uses information from a consumer reporting agency to deny your application for credit, insurance, or employment – or take another adverse action against you – must tell you and give you the name, address, and phone number of the agency that provided the information.

You can find out what is in your file. At any time, you may request and obtain your report from a consumer reporting agency. You will be asked to provide proper identification, which may include your Social Security number. In many cases the report will be free. You are entitled to free reports if a person has taken adverse action against you because of information in a report; if you are the victim of identity theft; if you are the victim of fraud; if you are on public assistance; or if you are unemployed but expect to apply for employment within 60 days. In addition, you are entitled to one free report every twelve months from each of the nationwide credit bureaus and from some specialized consumer reporting agencies. See www.ftc.gov/credit for details about how to obtain your free report.

You have a right to know your credit score. Credit scores are numerical summaries of a consumer's creditworthiness based on information from consumer reports. For a fee, you may get your credit score. For more information, click on www.ftc.gov/credit. In some mortgage transactions, you will get credit score information without charge.

You can dispute inaccurate information with the consumer reporting agency. If you tell a consumer reporting agency that your file has inaccurate information, the agency must take certain steps to investigate unless your dispute is frivolous. For an explanation of dispute procedures, go to www.ftc.gov/credit.

Inaccurate information must be corrected or deleted. A consumer reporting agency or furnisher must remove or correct information verified as inaccurate, usually within 30 days after you dispute it. However, a consumer reporting agency may continue to report negative data that it verifies as being accurate.

Outdated negative information may not be reported. In most cases, a consumer reporting agency may not report negative information that is more than seven years old, or bankruptcies that are more than 10 years old.

Access to your file is limited. A consumer reporting agency may provide information about you only to people with a valid need as determined by the FCRA - usually to consider an application with a creditor, insurer, employer, landlord, or other business.

Identity theft victims and active duty military personnel have additional rights. Victims of identity theft have new rights under the FCRA. Active-duty military personnel who are away from their regular duty station may file “active duty” alerts to help prevent identity theft. For more information, visit www.ftc.gov/credit.

Your consent is required for reports that are provided to employers. A consumer reporting agency may not give out information about you to your employer, or potential employer, without your written consent. Blanket consent may be given at the time of employment or later.

You may choose to remove your name from consumer reporting agency lists for unsolicited credit and insurance offers. These offers must include a toll-free phone number you can call if you choose to take your name and address off lists in the future. You may opt-out at the major credit bureaus by calling 1-888-567-8688.

You may seek damages from violators. If a consumer reporting agency, a user of consumer reports, or, in some cases, a furnisher of information to a consumer reporting agency violates the FCRA, you may sue them in state or federal court.

The FCRA gives several federal agencies authority to enforce the FCRA:

TO COMPLAIN ABOUT:	PLEASE CONTACT:
Consumer reporting agencies, creditors, and others not listed below	Federal Trade Commission FCRA Consumer Response Center - 1-877-382-4357 (Toll-Free) Washington, DC 20580
National banks, federal branches/agencies of foreign banks (word "National" or initials "N.A." appear in or after bank's name)	Office of the Comptroller of the Currency Compliance Management, Mail Stop 6-6 Washington, DC 20219 800-613-6743
Federal Reserve System member banks (except national banks, and federal branches/agencies of foreign banks)	Federal Reserve Board Division of Consumer Help FRCH Washington, DC 20551 888-851-1920
Savings associations and federally chartered savings banks (word "Federal" or initials "F.S.B." appear in federal institution's name)	Office of Thrift Supervision 800-842-6929 Complaints Washington, DC 20552
Federal credit unions (words "Federal Credit Union" appear in institution's name)	National Credit Union Administration 1775 Duke Street Alexandria, VA 22314 703-519-4600
State-chartered banks that are not members of the Federal Reserve System	Federal Deposit Insurance Corporation Division of Compliance & Consumer Washington, DC 20429
Air, surface, or rail common carriers regulated by former Civil Aeronautics Board or Interstate Commerce Commission	Department of Transportation Office of Financial Management 202-366-1306 Washington, DC 20590
Activities subject to the Packers and Stockyards Act, 1921	Department of Agriculture Office of GIPSA Deputy Administrator - Washington, DC 20250 202-720-70517051

Para información en español, visite www.ftc.gov/credit o escriba a la FTC Consumer Response Center, Room 130-A 600 Pennsylvania Ave. N.W., Washington, D.C. 20580.

SECURITY FREEZE INFORMATION

Any consumer in Montana may place a security freeze on his or her credit report by requesting one in writing by mail to the consumer reporting agency. After January 31, 2009, the consumer reporting agencies must also make available an electronic method to place the security freeze.

The consumer reporting agency is not allowed to charge a fee to victims for placing, temporarily lifting for a specific time period, or permanently removing a security freeze on a credit report. To prove you are a victim, you must also send a valid copy of a police report or an investigative report or written Federal Trade Commission complaint.

For all others, a charge of \$3 will be applied for each placement or temporary lift of a security freeze. A reasonable fee not to exceed \$5 can be charged for a replacement PIN. A security freeze prohibits, with certain specific exceptions, the consumer reporting agency from releasing the consumer's credit report or any information from it without the express authorization of the consumer.

To obtain more detailed information on how to place a security freeze on your credit reports, see below.

HOW TO "FREEZE" YOUR CREDIT FILES

A security freeze means that your file cannot be shared with potential creditors. A security freeze can help prevent new account identity theft. Most businesses will not open credit accounts without first checking a consumer's credit history. If your credit files are frozen, even someone who has your name and Social Security number probably would not be able to obtain credit in your name.

How do I place a security freeze?

To place a freeze, you must write by certified or overnight mail to each of the three consumer reporting agencies. Beginning January 31, 2009, the consumer reporting agencies must make a telephone or secure electronic method available to request a security freeze on your credit files.

Consumer reporting agencies charge a \$3 fee to place or temporary lift a security freeze, unless you provide proof that you are a victim of identity theft, in which case there is no fee. A copy of your police report or an investigative report or written FTC complaint documenting identity theft must be included to avoid a fee.

Write to all three addresses below and include the information that follows:

Equifax Security Freeze

P.O. Box 105788
Atlanta, GA 30348

Experian Security Freeze

P.O. Box 9554
Allen, TX 75013

Trans Union Security Freeze

P.O. Box 6790
Fullerton, CA 92834-6790

For each, you must:

- Send a letter by regular or certified mail only prior to January 31, 2009;
- After January 31, 2009, you may also place the security freeze by a secure electronic method;
- If you are a victim of identity theft, you must include a copy of either the police report or case number documenting the identity theft;
- Provide your full name (including middle initial as well as Jr., Sr., II, III, etc.,) address, Social Security number, and date of birth;
- If you have moved in the past 5 years, supply the addresses where you have lived over the prior 5 years.
- Provide proof of current address such as a current utility bill or phone bill
- Send a photocopy of a government issued identification card (state driver's license or ID card, military identification, etc.)
- If applicable, include payment by check, money order or credit card (Visa, Master Card, American Express or Discover cards only.)

How long does it take for a security freeze to go into effect?

After five (5) business days from receiving your letter, the consumer reporting agencies listed above will place a freeze providing credit reports to potential creditors. If you are a victim of identity theft, placement of a security freeze is to take place within 24 hours after the consumer reporting agency has received the request.

Five (5) more business days from placing a freeze on your account, the consumer reporting agencies will send you a confirmation letter containing a unique PIN (personal identification number) or password. Keep this PIN or password in a safe place.

Can I open new credit accounts if my files are frozen?

Yes. You can have a security freeze lifted for a temporary period of time. This is done at no charge for victims. For non-victims, however, there is a \$3 charge. The steps to do so are as follows:

- Contact the consumer reporting agencies above.
- You may contact the consumer reporting agencies by telephone, fax or over the Internet;
- You must provide proper identification;
- You must provide your unique PIN or password;
- And, you must include during what time period your credit report will be accessible (for example: from August 1 to August 5.)

How long does it take for a security freeze to be lifted?

Three (3) business days before January 31, 2009. Starting on this date, the consumer reporting agencies must lift the freeze within 15 minutes under reasonable circumstances and if requests are made between 6am to 9:30pm MST.

What will new a creditor who requests my file see if it is frozen?

A creditor will see a message or a code indicating the file is frozen.

Can a new creditor get my credit score if my file is frozen?

No. A creditor who requests your file from one of the three consumer reporting agencies will only get a message or a code indicating that the file is frozen.

Can I order my own credit report if my file is frozen?

Yes.

Can anyone see my credit file if it is frozen?

When you have a security freeze on your credit file, certain entities still have access to it. Your report can still be released to your existing creditors or to collection agencies acting on their own behalf. They can use it to review or collect on your account. Other creditors may also use your information to make offers of credit. Government agencies may also have access in response to a court or administrative order, a subpoena, or a search warrant.

Do I have to freeze my file with all three consumer reporting agencies?

Yes. Different credit issuers may use different consumer reporting agencies. If you want to stop your credit file from being viewed, you must freeze it with Equifax, Experian, and Trans Union.

If more than one person in my household wants to request a security freeze, do we each have to request a separate security freeze?

Yes. Because each person has an individual credit history and credit reporting file, each person must make a separate request to place, lift or remove a security freeze. Each person also must pay any applicable fees.

Will a freeze lower my credit score?

No.

Can an employer do a background check on my credit file?

It depends. The freeze does not cover a consumer reporting agency database or file used consisting entirely of information about, and used solely for, employment screening.

Does freezing my file mean that I won't receive pre-approved credit offers?

No. You can stop the pre-approved credit offers by calling 888-5OPTOUT (888-567-8688). Or you can do this online at www.optoutprescreen.com. This will stop most of the offers, the ones that go through the consumer reporting agencies. It's good for five years or you can make it permanent.

What law requires security freezes?

The Montana security freeze bill Senate Bill 116, passed in 2007.

THIS FACT SHEET IS FOR INFORMATIONAL PURPOSES. IT IS NOT LEGAL ADVICE. FOR LEGAL ADVICE, YOU MUST CONSULT YOUR OWN ATTORNEY.

Before using these template letters, please read the entire document for complete information.

SAMPLE FREEZE LETTER TO EQUIFAX

Date

Equifax Security Freeze
P.O. Box 105788
Atlanta, GA 30348

Dear Equifax:

I would like to place a security freeze on my credit file. My name is:

My former name was (if applies):

My current address is:

My address has changed in the past 5 years. My former address was:

My social security number is:

My date of birth is:

I have enclosed photocopies of a government issued identity card AND proof of residence such as a utility bill or phone bill.

Circle one of the following:

I have included a \$3 fee to place a security freeze on my credit file

OR

I am an identity theft victim and a copy of my police report (or other investigative report or complaint to the FTC concerning identity theft) regarding identity theft is enclosed.

Yours truly,

Your name

SAMPLE FREEZE LETTER TO TRANS UNION

Date

Trans Union Security Freeze
P.O. Box 6790
Fullerton, CA 92834-6790

Dear Trans Union:

I would like to place a security freeze on my credit file. My name is:

My former name was (if applies):

My current address is:

My address has changed in the past 5 years. My former address was:

My social security number is:

My date of birth is:

I have enclosed photocopies of a government issued identity card AND proof of residence such as a utility bill or phone bill.

Circle one of the following:

I have included a \$3 fee to place a security freeze on my credit file

OR

I am an identity theft victim and a copy of my police report (or other investigative report or complaint to the FTC concerning identity theft) regarding identity theft is enclosed.

Yours truly,

Your name

SAMPLE FREEZE LETTER TO EXPERIAN

Date

Experian Security Freeze
P.O. Box 9554
Allen, TX 75013

Dear Experian:

I would like to place a security freeze on my credit file. My name is:

My former name was (if applies):

My current address is:

My address has changed in the past 5 years. My former address was:

My social security number is:

My date of birth is:

I have enclosed photocopies of a government issued identity card AND proof of residence such as a utility bill or phone bill.

Circle one of the following:

I have included a \$3 fee to place a security freeze on my credit file

OR

I an identity theft victim and a copy of my police report (or other investigative report or complaint to the FTC concerning identity theft) regarding identity theft is enclosed.

Yours truly,

Your name

**BYLAWS of
River Acres, Inc.**

**ARTICLE I
BYLAWS**

- 1.1 Bylaws.** These Bylaws constitute the code of rules adopted by River Acres, Inc. (the "Corporation") for the regulation and management of its affairs. The Corporation is located in Missoula, County of Missoula, State of Montana.
- 1.2 Bylaw Amendment.** The Bylaws of the Corporation shall be adopted or repealed by at least a majority vote of the Membership.
- (1) The Bylaws may be amended by a majority vote of the Members present at any regular or special meeting at which a quorum is present, provided that notice of the proposed amendment shall be given in writing to all members not less than ten (10) days prior to such meeting.
- (2) After the ten (10) day notice, technical changes in wording or detail of the proposed amendment that do not alter the subject matter shall not require an additional notice.

**ARTICLE II
PURPOSE**

- 2.1 Purpose.** The purpose for which this Corporation is formed is to own and operate a manufactured housing community (commonly known as "park"), hereinafter referred to as the "Corporation," as a corporation and be involved in other Corporation activities, on a non-profit, "cooperative" basis for the benefit of the current and future residents.
- 2.2 Business.** The broad purpose is to gain control of the rental costs, preserve the Community for the current residents, and to keep it affordable long term for low- and moderate-income individuals and families.
- (1) In accordance with the purpose stated in the Corporation's Articles of Incorporation, the Corporation will conduct its business in a manner designed to preserve the affordability of the sites within the community for low- to moderate-income homeowners.

**ARTICLE III
MEMBERS**

- 3.1 Member Defined.** A "Member" is defined as an adult (18 years-or-older) individual(s), without regard to their social, political, racial, religious, age, sex, sexual orientation, disability, or marital status who:

- (1) Own and reside in a manufactured housing unit (hereinafter referred to as a "Home") in the Community and any spouse or partner in a civil union entitled to a homestead interest, who has signed a Lease Agreement. A person is seen as owning or co-owning a Home if he/she owns the Home directly or through his/her revocable "living" trust or "Grantor" trust. A "Grantor" trust is any trust that: (1) is established during the lifetime of the grantor; (2) names the grantor as trustee and beneficiary of the trust's income and principal during the grantor's lifetime, provided he or she has full mental capacity; and (3) gives the grantor the power to alter, modify or otherwise change or terminate the trust during the grantor's lifetime, provided he or she has full mental capacity. All references to "he" or "she" or "his" or "her" in these Bylaws shall mean the trustee and beneficiary of said Grantor trust, and any references to "Member" in the case of a Grantor trust applies to the Grantor trust, the trustee and the beneficiary., as applicable in the instance.

"Ownership" of a home shall include, where appropriate, persons purchasing a home under a lease purchase or contract of sale, which is current and in good standing, or brought into good standing by agreement acceptable to the Board of Directors, where the home buyer has some established equity in the home.

- (2) Is/are in good standing with the Corporation. A "Member in good standing" is a Member is complying with the Membership Obligations set forth in Article 3.3 of these Bylaws, or who has signed an agreement satisfactory to the Board of Directors to bring him or herself into compliance. A signed agreement for future payment, even if such agreement has been reviewed as being satisfactory to the Board of Directors - to bring rents and fees current does not make a member in good standing. Only payment in full of all amounts due constitutes membership in good standing. For the purposes of membership status, rent paid in full by the fifth of the month is considered current.
- (3) Is/are willing to accept Membership responsibilities, including, but not limited to, voluntary participation in the governance of the Corporation and in the operation of the community.

3.2 Membership Rights.

- (1) Upon continued payment of the lot rent and compliance with the other terms of the Lease Agreement, the Bylaws of the Corporation and the Community Rules established by the Members, all as they may be amended from time to time, the Member shall have a perpetual right to occupy said unit provided that, if a Member is evicted from the Community or moves out of the community, that Member will lose his or her right to occupy said unit.
- (2) Membership provides Members with prevailing lot rent. Loss of Membership rights will result in an increased lot rent in accordance with the Community Rules and these Bylaws.

- (3) Regardless of the number of Members residing in a home, only one Membership will be assigned to a home, and only one full vote may be exercised under a Membership.
- (4) In accordance with Montana Code Annotated § 35-2-514, a Member may not transfer a Membership or any rights arising from Membership.

3.3 Membership Obligations.

- (1) All Members and non-Members are required to pay their lot rent and Membership Deposits. This lot rent, initially established by the membership of the Corporation, may only be increased by a majority vote of the Membership, consistent with these Bylaws, with a thirty (30) day written notice to all Members and non-Members.
- (2) All Members are required to pay their Membership Deposit, consistent with Article 3.5 of these Bylaws.
- (3) A Member will participate cooperatively in the operation of the Corporation. This includes, but is not limited to, voluntary participation in the governance of the Corporation and in the operation of the Community.

3.4 Enrollment of Members. After the purchase of the Community, buyers or owners of Homes seeking to reside in a Home and lease a unit in the Community must become Members of the Corporation.

- (1) Owners seeking Membership shall:
 - a. Apply for Membership on a form prescribed by the Membership Committee;
 - b. Be approved for Membership by a majority vote of the Board of Directors;
 - c. Pay in full the Membership Deposit;
 - d. Execute a Lease Agreement;
 - e. Own and occupy a Home in the Community;
 - f. Commit to the purposes and policies of the Corporation including the Community Rules and these Bylaws.
- (2) Owners of homes in place at the time the corporation purchases the community have the right to become members without Board approval as per (b) above; but, must fulfill all other membership enrollment conditions (a), (c), (d), (e), and (f) above.
- (3) Buyers of homes may be approved for membership conditional upon purchase and occupancy of the home.

A person is considered a buyer or owner if he or she seeks to, or does, own or co-own a Home directly or through his/her/their revocable "living" or "Grantor" trust (see definition at 3.1.1) or if he or she becomes the purchaser under a contract for deed or installment sales contract. If an existing Member transfers title to a home to his or her revocable "living" or "Grantor" trust, the trust will not be considered a new owner or buyer under this paragraph. Members transferring their Membership into a permissible revocable "living" or "Grantor" trust must furnish the Corporation with a Certification, Abstract or Memorandum of Trust stating that: the trust is a revocable living trust or other grantor trust; the Member(s) is/are the Trustee(s) of the trust; and the trust remains in full force and effect and has not been revoked, modified, or amended in such a way that would contradict what is stated in the Certification (or Abstract or Memorandum) of Trust.

If a person inherits a home from a deceased Member by any means (will, trust or intestate distribution), that person is considered a Buyer for the purposes of this Article and must apply for Membership.

3.5 Membership Deposit.

- (1) The Membership Deposit will be one-hundred dollars (\$100). The Membership Deposit does not result in the acquisition of any equity or fee interest in the Corporation, but rather is a condition to Membership.
- (2) A Certificate of Membership shall be issued to any Member, as an individual or as trustee of his or her revocable "living" or other "Grantor" trust, who has fully paid their Membership Deposit. This certificate entitles the holder to occupancy of a lot in accordance with the Member Lease Agreement, provided that the holder also abides by the Community Rules of the Corporation and does not interfere with the effective operation of the Corporation.
- (3) The certificate is not transferable.
- (4) The Board of Directors reserves the right to use all or part of a Member's Membership Deposit to pay any debt due to the Corporation by the Member, or any expenses incurred by the Corporation as a result of a Member's actions or non-actions, as such debts and expenses are legally the responsibility of the Member. The Member will replenish a Membership Deposit decreased on such account in order to remain in "good standing," and any amounts due but unpaid by the Member shall be treated as unpaid lot rent for all purposes.

3.6 Loss of Membership. Any Member whose activity in the Corporation is contrary to basic cooperation principles (see copy of International Cooperative Principles attached hereto and incorporated herein by this reference) or who endangers the effective operation of the Corporation may be expelled from Membership in the Corporation by the Board of Directors pursuant to a fair and reasonable procedure.

- (1) In accordance with Montana Code Annotated § 35-2-520, a procedure is “fair and reasonable” if the Member receives not less than fifteen (15) days’ prior written notice of the expulsion, termination or suspension, including a clear statement of the reasons for it; and the Member is given an opportunity to be heard before the Board of Directors, orally or in writing, not less than five (5) days before the effective date of the expulsion, suspension or termination. Written notice will be given by first-class or certified mail sent to the Member’s last address shown on the Corporation’s records.
- (2) Expulsion or termination carries with it the loss of all Membership Rights listed in Article 3.2 of these Bylaws, including the perpetual right to occupy said lot and voting interests. In accordance with Montana Code Annotated § 35-2-522, the Corporation may not purchase from the Member the Member’s Certificate or any right arising out of Membership. The Member may be liable for any dues, assessments or fees owing the Corporation as a result of obligations incurred or commitments made by the Member prior to expulsion or suspension.
- (3) An eviction of the Member shall automatically terminate his or her Membership, as long as the eviction was conducted in accordance with the “fair and reasonable” procedure in (1) above.
- (4) A Member need not be expelled before being evicted.

3.9 Loss of Membership Appeal. The Member shall have the right to appeal the decision to terminate membership to the Board of Directors at the next Membership meeting and will be given a reasonable opportunity to be heard, either in person or by their attorney.

- (1) Members may request a Special Meeting of the Membership within a reasonable time period and such request will not be unreasonably denied.
- (2) In the absence of a board call for a Special Meeting, the member may do so in accordance with Section 5.4.2 of these Bylaws.
- (3) Re-application for Membership will require Board review and Membership approval before re-issuance of Certificate of Membership. The reason for the expulsion shall be clearly stated, recorded, placed in the permanent files and a copy given to the Member.

Any Member who wishes to be represented by legal counsel as the result of a Corporation action must notify the Board of the fact ten (10) days in advance of the meeting. The Member shall solely be responsible for the cost of his or her attorney. In no case should the Corporation be responsible for the legal fees of the Member, unless ordered by a Court of competent jurisdiction.

3.10 Resignation

A Member may resign from Membership at any time. Resignation of a Member carries with it the loss of all Membership Rights listed in Article 3.2 of these Bylaws, including the perpetual right to occupy said lot and voting interests. Resignation does not relieve the Member from any obligations the Member may have to the Corporation as a result of obligations incurred or commitments made prior to resignation.

- 3.11 Patronage Refunds.** Members shall have a right to determine whether excess carrying charges collected in any given fiscal year shall be returned to Members as patronage refund or retained as additional funding for reserves or for the needs of the following year operations. The decision may be made at the time that they approve the budget for the coming fiscal year. The Corporation may refund or credit to the Member, within ninety (90) days of the end of its fiscal year; but only insofar as such refund or credit is consistent with state law or permissible under the terms and provisions of any loan terms, as applicable from time to time. Such patronage refunds are limited to a pro rata return of fees paid by Members in excess of the corporations needs and are not from earned income from other sources.

ARTICLE IV OCCUPATION, SALE, AND RENTAL OF HOMES

- 4.1 Occupation of Home.** In order to unify the Members and make the Corporation stronger, all homes within the Community must be owner-occupied. Failure to comply with this article could result in an eviction from the Community.

- (1) All Homes are single family dwellings. Individuals may reside in a recreational vehicle (motorhomes, travel trailers or 5th wheels) parked in an owner/rental unit no more than two (2) weeks.
- (2) All Owners shall supply the Board of Directors with proof of insurance coverage on the Home. Said insurance coverage must include:
 - a. Be in an amount to cover any Home damage.
 - b. Coverage on outbuildings located within the lot.

- 4.2 Rental of Home.** Rental or leasing of homes in the Community shall not be allowed unless approved by the Board of Directors. The Board of Directors will not approve a rental or lease unless: (1) a written request is submitted by the Member alleging hardship; and (2) the Board of Directors determines that a hardship exists. If an approval is granted, the Board's decision will specify the hardship circumstance(s) and the condition(s) of approval. The vote of the Board of Directors will be maintained in the official records of the Corporation.

- (1) Existing rentals shall be allowed to remain until the existing tenants move out. The owner must then sell the home or move the home out of the community. Whoever buys the unit then must be approved through the screening process, become a member of the community and occupy the home; or they must move the home out of the community.

4.3 Sale of Home. Any Member or non-Member who plans to sell or move their Home out of the Community or demolish the Home on site shall give written notice thirty (30) days in advance of the pending sale or move to the Board of Directors.

- (1) Failure to give notice can result in 30 days additional unit rent.
- (2) Notice to the Board of Directors stating the Owner's intention to sell a Home located in the Community must contain the estimated date of sale, and the name, address, and phone number of the selling agent, if any. It is the responsibility of the Owner to supply potential buyers with information regarding the requirement that all buyers reside in the Community and become Members of the Corporation. The Owner will supply the Corporation with the names and telephone numbers of any buyers who have signed a Purchase and Sales (or "Buy-Sell") Agreement. See the exception for certain trust transfers in paragraph 3.4(E), which applies here as well.
- (3) If the Member receives more than one offer for the same price upon the same terms and conditions, and one of said offers is from a low-income family or individual, the Corporation's preference is that the Member accept the offer from a low-income family or individual.
- (4) A low-income family or individual shall be defined as a family or individual whose total income does not exceed 80% of the median income in the county as determined by the U.S. Dept. of Housing and Urban Development and published in the Federal Register.
- (5) The Board of Directors shall repay the amount equal to the Membership Deposit paid by said Member household, without interest, less any debt owed by the member to the Corporation, within sixty (60) days of the removal or sale of the home, or at such later date when the repayment can be made without jeopardizing the solvency of the Corporation.
- (6) The following will apply in all situations where Fannie Mae holds an Eligible Loan on a home in this Corporation:

A.1 Notwithstanding any other Bylaw provision, the purchaser of a Manufactured Home who acquired title at a foreclosure sale conducted by the holder of an "Eligible Loan" (as defined by statute), or directly from the holder of an Eligible Loan, will be exempt from any "low income" requirement.

A. 2 Notwithstanding rights of the Corporation under state law, any holder of an Eligible Loan, which is actively pursuing the right to foreclose or which has acquired title to the Manufactured Home by purchase itself at a foreclosure sale or by deed in lieu of foreclosure, and which has paid or is paying the Corporation Rent and Other Charges owing by a Member under an Lease Agreement, will not be

required to advance more than six (6) months of Rent and Other Charges, and the Corporation's lien rights, as to amounts owing to it by the Member under the Lease Agreement or otherwise, will be subordinate to the rights of the holder of an Eligible Loan, and amounts owing to the Corporation will only be paid out of the excess proceeds, if any, available after transfer of the Manufactured Home to a third party, and after all amounts outstanding under the Eligible Loan, including repayment of advances of monthly Rent and Other Charges, have been paid in full.

4.4 Vacant Units. Any lot in the Community that becomes vacant (other than a temporary vacancy when a Member of the Corporation replaces his or her existing manufactured home with a new or different one), shall be leased by the Board of Directors to a low-income household approved for Corporation Membership.

(1) Provided, however, that if after advertising the lot for thirty (30) days, the Board does not receive an offer to lease from a low-income household reasonably capable of affording the Home and living in the Community, the Board of Directors may lease the lot to any suitable household.

(2) The Board will keep a waiting list for these purposes.

4.5 Statement of Intent. The property owner should not unreasonably withhold a requested signature on a Statement of Intent to Declare a Manufactured Home an Improvement to Real Property. If the Member or Non-Member Owner owes the Corporation money, or if the Member or Non-Member Owner is in breach of any other obligation to the Corporation, the Statement of Intent may be furnished "in escrow" to the closing or settlement agent until those amounts are paid in full.

ARTICLE V MEMBERSHIP MEETINGS

5.1 Membership Actions

(1) The Membership may act only at a properly called meeting of the Membership where a quorum is present.

(2) The Bylaws of the Corporation and the Community Rules shall be adopted or repealed by at least a majority vote of the total Membership of the corporation.

(3) The Bylaws and the Community Rules may be amended by a majority vote of the Members present at any regular or special meeting at which a quorum is present, provided that notice of the proposed amendment shall be given in writing to all Members not less than ten (10) days prior to such meetings. After the ten (10) day notice, technical changes in wording or detail of the proposed amendment that do not alter the subject matter shall not require an additional notice.

5.2 Voting Quorum. 10 households out of the current Membership shall constitute a quorum at a Membership meeting.

- (1) A Member not in good standing (as defined by these Bylaws at 3.1) and their household will be ineligible to vote upon any matter and will not be counted toward a quorum.
- (2) The existence of a quorum shall be established at the beginning of each meeting and shall remain valid until the meeting is adjourned.
- (3) If a quorum has been achieved, any motion for consideration that is properly noticed before the meeting shall be approved by a majority vote of Members present except for motions affecting the Bylaws and Community Rules.
- (4) There shall be no voting by proxy; nor shall a proxy be counted towards the establishment of a quorum.

5.3 Action Without a Meeting. Any business required or permitted to be taken at a Membership meeting may be taken without a meeting, by means of a ballot that clearly states each proposed action and provides an opportunity to vote for or against each proposed action.

- (1) To be passed, the number of votes cast by ballot must equal or exceed the quorum required to be present at a meeting authorizing the action; and the number of approvals must equal or exceed the number of votes that would be required to approve the matter at a meeting. All solicitations for votes by written ballot must indicate the number of responses needed to meet quorum requirements; state the percentage of approvals necessary to approve each matter (other than election of Directors); and specify the time by which a ballot must be received by the Corporation in order to be counted. A written ballot may not be revoked.
 - a. A copy of the ballot and vote must be kept on file with the Corporation's Membership meeting minutes.
 - b. Notice that such an action took place, including the nature of the action, and the availability of the resolution shall be posted or otherwise published to the members within 3 days.

5.4 Member Meetings. A meeting of Members is to be held at least twice a year.

- (1) The bi-Annual Meetings of the Members shall be held in the months of June and November each year in Missoula at a place designated by the Board of Directors within 10 miles of the Community.
 - a. Notice of the time and place of each bi-Annual Meeting and the agenda items or subject matter to come before it, shall be given in writing to each Member at his/her address, and posted and maintained in a common area not less than ten (10) days nor more than sixty (60) days prior to the date of the meeting.

- b. At the Annual Membership Meeting, the President and Treasurer will report on the activities and financial condition of the Corporation; and the Members shall consider and act upon other matters that are raised consistent with the notice and voting requirements of Montana Code Annotated §§ 35-2-530 & 35-2-538(2).
 - c. The bi-Annual Report to the Secretary of State, the report of the examination of the prior year's finances, and the proposed annual budget with proposed future rents of the Corporation shall be made available to each Member no later than ten (10) days before the Meeting for approval by the Membership at the bi-Annual March Meeting.
 - d. If Members, after meeting held or ballot conducted for said purposes, shall fail to approve a budget that meets all contractual obligations, the Board may approve such a budget without further vote of the Members.
- (2) Special meetings of the Membership may be called by the Board of Directors or by petition of at least one tenth (1/10) of the Members.
- a. Such Member petition may be delivered to any Board Member, but must describe the purpose(s) for which the special meeting is to be held.
 - b. The Board will provide written notice of the date, place and time of the Special Meeting to each Member within 30 days after receipt of such demand.
 - c. The Secretary of the Corporation shall post the notice in a common area not less than 10 days in advance of the meeting date. Business at a Special Meeting of the Membership is limited to the Scope of the Notice provided.

(3) Notice of Annual and Special Meetings

A. Notice of an Annual Meeting will include a description of any matter or matters that must be approved by the Members; and notice of a special meeting will include a description of the matter(s) for which the meeting is called.

B. When giving notice of an Annual or special meeting, the Corporation must also give notice of any matter a Member intends to raise at the meeting if requested in writing to do so by a person entitled to call a special meeting; and the request is received by the Secretary or President of the Corporation at least ten (10) days before the Corporation gives notice of the meeting.

C. The record date for determining Members entitled to receive notice and vote at a Members' Meeting is fixed at the close of business on the business day preceding the day on which notice is given.

ARTICLE VI BOARD OF DIRECTORS

6.1 **Number of Directors.** The Corporation shall be managed by a Board of Directors. The Board of Directors shall consist of five members or subscribers who are residents and owners of a manufactured housing unit in the Community and are in good standing with

the Corporation. No more than one individual from each Member household may serve on the Board of Directors at any given time.

6.2 Qualifications. Directorships shall not be denied to any person on the basis of race, creed, color, physical or mental disability, age, sex, religion, or national origin. To be eligible to serve as a Director, an individual must be a Member in good standing with the Corporation.

6.3 Election and Term of Office. The Board of Directors shall be elected by the Membership at an Annual or Special meeting of the Corporation, or at a special meeting held in place thereof.

(1) All newly elected Directors will take office thirty (30) days after elections or at the next Board of Directors meeting, whichever is first.

(2) At each election for Directors, every Member entitled to vote shall have the right to vote for as many persons as there are Directors to be elected. Directors and Officers must be approved by a majority vote of the Members present at a properly noticed meeting of the Membership where a quorum is present.

(3) All Directors shall serve for a term of two years, except that at the first election, the *Treasurer* and *Vice President* will be elected for one-year terms.

(4) No Director may serve for more than three consecutive two-year terms or until their successor is duly chosen.

(5) Vacancies that result from resignation or other means may be filled by a majority vote of the Directors present at any regular or special meeting of the Board of Directors. If the Directors remaining in office constitute fewer than a quorum of the Board, they may fill the vacancy by majority vote of all Directors remaining in office.

(6) The Director so appointed shall serve the remainder of the unexpired term, which shall not be counted as a consecutive term for the purpose of Section 6.3.4 of these Bylaws.

6.4 Ballots. A ballot provided on a form approved by the Board of Directors shall be used for the election of Directors.

(1) It shall clearly state the slate of nominees and be identifiable by either a lot number or other means. It shall also clearly state that other nominees may come from the floor.

(2) The ballots shall be sealed and opened at the Membership meeting.

(3) The Board of Directors may allow for an absentee ballot for the following reasons:
a. Hospitalization, shift work, infirmity, out of town.

- (4) A request for an absentee ballot must be made in writing at least three (3) days before the meeting, if not the result of emergency circumstances.
- (5) Absentee ballots may not be counted towards a quorum.
- (6) If the ballot is to be mailed, the Member must request it ten (10) days before the meeting.

6.5 Powers. The Board of Directors of this Corporation is vested with the management of the business and affairs of this Corporation, subject to the Montana Nonprofit Corporations Act, the Articles of Incorporation, and these Bylaws.

- (1) No Director may act on behalf of the corporation unless duly authorized by the Board of Directors.
- (2) Any matters outside of the ordinary course of business or that involve the sale or encumbrance of assets shall require Member approval.

6.6 Committees. The Board of Directors may from time to time set up committees and/or ad-hoc groups to work on specific responsibilities, with the committee members serving at the pleasure of the Board of Directors.

- (1) These committees will report to the Board of Directors and operate with only as much authority as granted by the Board.
 - a. Further explanation of these committees may be found in the policies of the Board of Directors.

6.7 Resignation. Any Director may resign at any time by delivering written notice to the Secretary or President of the Board of Directors. Such resignation will take effect upon the later of receipt or the time specified in the notice.

6.8 Removal/Vacancies. Any Directors whose actions are determined to negatively affect the operation of the Corporation may be removed by a majority vote of the Members present at any regularly scheduled or special meeting of the Membership where a quorum is present, provided that a 10-day notice of the impending vote has been given to the Director who may be removed.

- (1) Said notice of a vote to remove shall only be made after a majority vote of the Board of Directors or after the Board of Directors receives a written petition requesting the proposed removal, signed by at least 10% of the Membership.
- (2) Said resolution shall clearly state that once a quorum is established, a majority vote of the Members present will be needed to remove the Director.

- (3) The notice shall state the date, time and place of the meeting where said vote will be taken.
- (4) If the Members' petition for removal of a Director does not state that the vote to remove is requested for the next regularly scheduled meeting, or if the Board of Director lacks time to give the required notice to the Director to be removed before the next regular meeting, then the Board of Directors shall take said Petition for Removal to also be a request for a special Membership Meeting for said purposes, and proceed in accordance with these Bylaws regarding special meetings, and shall set the date, place and time of the special meeting, to be held within 30 days after receipt of such Petition. The Secretary of the Corporation shall deliver or mail written notice stating the place, day, hour and purpose of the special meeting to each Member and post the notice in a common area not less than 10 days in advance of the meeting date.
- (5) Any Director who misses more than ___ Board meetings in a ____ [specify period] unless that Director has submitted to the Board in writing reasons for the absence (e.g. illness....) may be removed from office if a majority of the Directors then in office vote for the removal.
- (6) Vacancies on the Board of Directors, which result from a removal vote of the membership, shall be filled by a majority vote of the Members.

6.9 **Compensation.** Directors shall serve without compensation, but shall be entitled to reasonable compensation for expenses paid while conducting legitimate Corporation business. Any expenses incurred must have prior approval by the Board of Directors.

(1) Receipts must accompany all requests for reimbursement.

(2) Directors may not simultaneously serve on the Board and receive compensation for services, products, or contracts, and may not be employed by the Corporation.

ARTICLE VII OFFICERS

7.1 **Roster of Officers.** The Officers of the Corporation shall consist of a President, Vice President, Secretary, Treasurer, Operations Manager and any other designated position as decided by the Membership.

(1) All Officers are Directors of the Corporation and must meet the requirements for being a Director set forth in Section 6.1.

7.2 **Election and Removal of Officers.** See process for Election and Removal of Directors in Article 6.

7.3 **Officer's Duties.**

- (1) **The President** shall serve as chair and preside at all meetings of the Directors and Membership.
 - a. He or she shall be responsible for general administration according to the guidelines established by the Board and the Membership.
 - b. The President shall perform such duties prescribed by the Board or as necessary to accomplish the objectives of the Corporation.

- (2) **The Vice President** shall preside at all meetings in the absence of the President and shall perform such duties delegated to him/her by either the Board or the President.
 - a. He/she shall report on the activities of the President to the Board in the absence of the President.

- (3) **The Secretary** shall keep the records of the Corporation and these Bylaws.
 - a. Amendments to these Bylaws shall be typed, noted, dated and maintained with these Bylaws, and copies distributed to the Membership.
 - b. He or she shall keep a true record of the proceedings of all meetings of the Directors and Members. If the Secretary is absent from any such meetings, the chair may request that some person act as a recording secretary to take the minutes.
 - c. The Secretary shall also be responsible for posting meeting notices, typing correspondence and maintaining and updating Membership and resident lists.
 - d. The signature of the Secretary, or acting secretary, on minutes and actions of the Board shall serve as evidence of their authenticity.

- (4) **The Treasurer** shall have charge of all the funds of the Corporation and shall be responsible for all disbursements and collections.
 - a. The Treasurer shall be responsible for maintaining all financial records of the Corporation including previous fiscal years; financial reports, bank statements and returned checks, invoices, records and any and all other financial records.
 - b. The Treasurer will see that all checks drawn on the Corporation accounts shall bear the signature of at least two of these three Officers: President, Treasurer, or Secretary.
 - c. As a standard fiscal control, a Member of the Corporation other than the Treasurer shall reconcile the Corporation accounts each month.
 - d. The Treasurer shall be responsible for having the books prepared for examination.
 - e. The Treasurer may delegate any tasks to any Member of the Finance Committee or a contracted bookkeeping service.

- (5) **The Operations Manager** sits on the Maintenance Committee and is responsible for the effective upkeep of grounds and systems including:
 - a. Developing services, standards, emergency and general repair procedures.
 - b. Maintaining a list of qualified trades people and obtaining bids.
 - c. Maximizing volunteer contributions.
 - d. Submitting a capital improvements plan and annual projected maintenance budgets.

- (6) All Officers of the Corporation shall, subject to these Bylaws and to any vote of the Directors, have such powers and duties as the Directors shall from time to time designate, in addition to the specific powers and duties set forth above.

ARTICLE VIII BOARD MEETINGS

8.1 Regular Meetings. Regular meetings of the Directors shall be held monthly.

- (1) Notice of the time and place together with the agenda of the Board of Directors' meeting shall be posted in a public place in the Community, and distributed to each member household, no less than three days before the date of the meeting.
- (2) The Board shall have the sole discretion to establish the agenda for all regular meetings.

8.2 Special Meetings. Special meetings of the Directors may be held at the call of the President or any two Directors.

- (1) Written notice stating the place, day, hour and agenda of any special meeting shall be posted in a common area and communicated personally to each Board Member not less than three days before the date of the meeting.
- (2) In an emergency situation a shorter notice may be given, provided that the agenda for that meeting is limited to dealing with the emergency at hand and that all actions taken are ratified at a subsequent properly noticed meeting.

8.3 Open Meetings. Meetings of the Board of Directors shall be open to the Membership except when the Board moves to an Executive Session.

- (1) Executive Sessions are used only for the purposes of protecting a person's reputation and confidentiality, or to receive or discuss advice from legal counsel.
- (2) A decision may not be made in Executive Session where minutes are not kept.
- (3) Decisions must be made in the form of a motion at a meeting open to the membership.
- (4) Minutes from all board and member meetings must be distributed to all member households within thirty (30) days of the meeting.

8.4 Notice. Written notice stating the place, day, hour and agenda of all Board meetings, regular and special, shall be posted in a common area, and distributed to each member household, no less than 3 days before any meeting.

8.5 Quorum. At any meeting of the Board of Directors, a simple majority of the number of Directors then in office shall constitute a quorum for the transaction of business.

- (1) A majority of these present must vote in the affirmative to pass a motion, once a quorum has been established.
- (2) Any action required or permitted to be taken by the Board of Directors at a meeting may be taken without a meeting if the written motion is approved and signed by all Board members.
- (3) Authority for such action commences when the last Director signs.
- (4) A copy of the written motion with all signatures must be kept with the Board minutes.

8.6 Action Without a Meeting. Any action required or permitted to be taken by the Board of Directors at a meeting may be taken without a meeting if the written motion is approved and signed by all Board Members. Authority for such action commences when the last Director signs. A copy of the written motion with all signatures must be kept with the Board minutes. Notice that such an action took place, including the nature of the action, and the availability of the resolution shall be posted within 3 days.

8.7 Proxy Voting Prohibited. Proxy voting is prohibited.

ARTICLE IX INDEMNIFICATION AND BOND

9.1 Indemnification.

- a. The Directors, Officers and Members will not be personally liable for the debts, liabilities or other obligations of the Corporation.
- b. The Corporation will indemnify a Director who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which the Director was a party because the individual is or was a Director of the Corporation, against reasonable expenses actually incurred by the Director in connection with the proceeding.
- c. Except as provided in subsection (D) below, an individual made a party to a proceeding because the individual is or was a Director may be indemnified against liability incurred in the proceeding if the individual:
 - (1) engaged in good faith conduct;
 - (2) reasonably believed:
 - (a) in the case of conduct in the individual's official capacity with the Corporation, that the conduct was in its best interests; and
 - (b) in all other cases, that the conduct was at least not opposed to its best interests; and

(3) in the case of any criminal proceeding, had no reasonable cause to believe the conduct was unlawful.

Indemnification permitted under this subsection in connection with a proceeding by or in the right of the Corporation is limited to reasonable expenses incurred in connection with the proceeding.

d. The Corporation may not indemnify a Director under subsection (C):

(1) in connection with a proceeding by or in the right of the Corporation in which the Director was adjudged liable to the Corporation; or

(2) in connection with any other proceeding that charges improper personal benefit to the Director, whether or not involving action in the Director's official capacity, in which the Director was adjudged liable on the basis that personal benefit was improperly received by the Director.

(7) **Bond.** Each Officer, Director, employee, and agent handling funds or securities amounting to \$1,000 or more in any one year shall be covered by adequate bond based on industry standards.

ARTICLE X OPERATIONS

10.1 Signing of Documents. Unless specifically authorized by the Board of Directors or as otherwise required by law, all final contracts, deeds, conveyances, leases, promissory notes, or legal written instruments executed in the name of and on behalf of the Corporation will be signed and executed by the President and one other Director. The Board will authorize by written resolution all final documents to be so executed. No more than one individual from each Member household may have signing authority.

10.2 Disbursement of Funds. All checks drawn on the Corporation accounts shall bear the signature of at least two of these three Officers: President, Treasurer, or Secretary.

(1) Any decisions that may commit expenditures of two thousand dollars (\$2,000.00), or more of corporation resources per Fiscal year, that does not appear in the approved annual budget, shall be made by the Membership at a bi-Annual, special, or regular meeting of the Members.

(2) Capital Improvement and Replacement Reserve expenditures that do not appear in the Member-approved Capital Improvement Plan and that exceed three thousand dollars (\$3,000.00) per fiscal year require the approval of the Membership except in cases of emergency repairs.

(3) The Board shall notify the Membership of such an emergency action at the next regular or special meeting of the Membership.

10.3 Ethics, Procurement and Conflict of Interest. In addition to the requirements of these Bylaws, the Corporation through a Membership vote shall adopt, and all Director-Officers shall abide by, a Code of Ethics, a Procurement Policy, and a Conflict of Interest Policy and Procedure. No member of the Board of Directors may be retained by the Corporation for compensation whether as an employee, independent contractor, consultant or in any other capacity. The role of employee, contractor, or vendor is inherently a conflict of interest with a Director's role as a Board Member, and that conflict cannot be waived by the Board or Membership.

10.4 Records. The records of the Corporation shall be kept by the Directors in an office and transferred to newly elected Directors upon change over.

10.5 Record Inspection. Records of the Corporation shall be open to the inspection of any Member at a reasonable time and place within 72 hours of a Member's request, limited to those items not protected for reasonable privacy concerns of Members, including but not limited to financial applications, credit reports, hardship application, materials discussed in executive session and individual collection matters. The Treasurer will make the Annual Financial Statements available to the Board within three months after the end of the fiscal year.

10.6 Fiscal Year. The fiscal year of the Corporation shall be the twelve (12) month period ending the last day of December of each year. (Fiscal year exception is the year of purchase which will/may not contain twelve (12) months, ending date does not change.) The Corporation shall cause its books to be examined within a reasonable time after the end of the fiscal year in accordance with the audit/review requirements of state law and any relevant lender.

10.7 Annual Report for the Secretary of State

The Corporation will deliver to the Secretary of State, for filing, an annual report that includes the information set forth in Montana Code Annotated § 35-2-904. The first annual report will be delivered to the Secretary of State between January 1 and April 15 of the year following the calendar year in which the Corporation was incorporated. Subsequent annual reports must be delivered to the Secretary of State between January 1 and April 15.

10.8 Dissolution. In the event of dissolution of the Corporation, the assets, after payment of the Corporation's debts and expenses, will be distributed as a contribution to any Corporation association or other nonprofit association to which contributions are deductible from income tax under current internal revenue service regulations.

**ARTICLE XI
RULES OF PROCEDURE**

11.1 In the case of any question not covered in these Bylaws or the adopted Board policies, or the Montana Non-Profit Corporation Act, the guidelines in "Parliamentary Procedure for Manufactured Housing Community Corporations" as published by the Management Guide © 2003, 2007, 2017 ROC USA, LLC or the foundation document, The Standard Code of Parliamentary Procedure, Fourth Edition, by Alice Sturgis, 2001) will prevail.

CERTIFICATION

I hereby certify that these Bylaws were adopted by the Membership of River Apts. at its meeting held on Ballot.

The foregoing is a true and accurate account, attested by:

Martin Belenzy
Board President
Susan Hancock
Board Secretary

International Cooperative Alliance Principles

1st Principle: Voluntary and Open Membership

Co-operatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

2nd Principle: Democratic Member Control

Co-operatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary co-operatives members have equal voting rights (one member, one vote) and co-operatives at other levels are also organized in a democratic manner.

3rd Principle: Member Economic Participation

Members contribute equitably to, and democratically control, the capital of their co-operative. At least part of that capital is usually the common property of the co-operative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing their co-operative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the co-operative; and supporting other activities approved by the membership.

4th Principle: Autonomy and Independence

Co-operatives are autonomous, self-help organizations controlled by their members. If they enter to agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their co-operative autonomy.

5th Principle: Education, Training and Information

Co-operatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operatives. They inform the general public - particularly young people and opinion leaders - about the nature and benefits of co-operation.

6th Principle: Co-operation among Co-operatives

Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional and international structures.

7th Principle: Concern for Community

Co-operatives work for the sustainable development of their communities through policies approved by their members.

These principles can be found on the International Cooperative Alliance website at <http://ica.coop/en/what-co-op/co-operative-identity-values-principles/>.

Community Rules

**RIVER ACRES, INC
COOP**

**A Resident Owned
Manufactured Housing Community**

Owned and operated by: RIVER ACRES, INC

Introduction

We wish to welcome you to our community. It is our desire to provide a pleasant, attractive and affordable place for people to live. All communities need some form of regulations to accomplish this goal. The rules and regulations of this community are not intended to be unnecessarily restrictive but are meant to help provide you a safe and tranquil environment. The future value of your manufactured home rests, to a great degree, on our community appearance and its reputation in the community at large.

The Board of Directors

IMPORTANT NOTICE:

THE RULES SET FORTH BELOW GOVERN THE TERMS OF YOUR RENTAL AGREEMENT WITH THIS MANUFACTURED HOUSING COMMUNITY. THE LAW REQUIRES ALL RULES OF THIS COMMUNITY TO BE REASONABLE. NO RULE MAY BE CHANGED WITHOUT YOUR CONSENT UNLESS THIS COMMUNITY GIVES YOU 30 DAYS ADVANCE NOTICE OF THE CHANGE.

SUBJECT TO THE TERMS OF ANY WRITTEN LEASE AGREEMENT, YOU MAY CONTINUE TO STAY IN THIS COMMUNITY AS LONG AS YOU PAY YOUR RENT AND ANY OTHER LAWFUL CHARGES, FOLLOW THE RULES OF THE COMMUNITY AND APPLICABLE LOCAL, STATE AND FEDERAL LAW, DO NOT DAMAGE COMMUNITY PROPERTY AND DO NOT REPEATEDLY BOTHER OTHER TENANTS IN THE COMMUNITY. YOUR LEASE AGREEMENT MAY BE TERMINATED, RESULTING IN EVICTION, IF YOU FAIL TO PAY ALL RENT DUE WITHIN 7 DAYS AFTER YOU RECEIVE WRITTEN NOTICE THAT YOU ARE BEHIND IN YOUR RENT.

YOU MAY ALSO BE EVICTED FOR NOT FOLLOWING THE RULES OF THIS COMMUNITY, BUT ONLY IF THE RULES ARE REASONABLE, YOU HAVE BEEN GIVEN WRITTEN NOTICE OF YOUR FAILURE TO FOLLOW THE RULES, AND YOU THEN CONTINUE TO BREAK THE RULES. YOU MAY NOT BE EVICTED FOR JOINING A TENANT ORGANIZATION.

IF THIS COMMUNITY WISHES TO EVICT YOU, IT MUST GIVE YOU APPROPRIATE NOTICE ACCORDING TO STATE LAW. IF YOU ARE BEHIND IN YOUR RENT THE NOTICE PERIOD REQUIRED BY LAW IS ONLY 7 DAYS, PRIOR TO TERMINATION OF LEASE AGREEMENT. THE TERMINATION OF LEASE NOTICE MUST GIVE YOU THE REASON FOR THE PROPOSED EVICTION.

YOU HAVE THE RIGHT TO SELL YOUR HOME IN PLACE TO ANYONE AS LONG AS THE BUYER AND HIS HOUSEHOLD MEET THE RULES OF THIS COMMUNITY. YOU MUST NOTIFY THE COMMUNITY IF YOU INTEND TO SELL YOUR HOME. FAILURE TO DO SO MAY MEAN THAT THE BUYER WILL BE REQUIRED TO MOVE THE HOME FROM THE COMMUNITY.

COPIES OF THE LAW UNDER WHICH THIS NOTICE IS REQUIRED MAY BE OBTAINED FROM THE CONSUMER PROTECTION AND ANTITRUST BUREAU OF THE ATTORNEY GENERAL'S OFFICE, at 2225 11th Avenue, Helena, MT.

I. GENERAL RESPONSIBILITIES

- 1) This mobile home park, as are all others in the state, are subject to Title 50 chapter 52 of Montana Code Annotated, MCA 70-24, 25 & 33 and all applicable City, County and State laws. This means, among other things, that there is at least a yearly inspection by the City-County Health Department.
- 2) The cooperative is responsible for:
 - a) All underground utilities up to and including the shutoff valve
 - b) Snowplowing of roads
 - c) Maintenance of roads and common areas
 - d) Trees
- 3) The homeowner is responsible for:
 - a) Hooking up to utilities and maintaining connections
 - b) Upkeep of their lot
 - c) Obeying rules and regulations
 - d) Payment of lot rent on time
 - e) Prominently displaying the street number on the front of the home for emergency location (911)
- 4) All homeowners are liable for damages, injury or loss incurred in their homes and on their lot. Homeowners are required to carry homeowner's insurance and must provide a copy of their current insurance to the Cooperative.
- 5) The speed limit in the community is Five (5) MPH.
- 6) Discharge of firearms and any other dangerous weapon is strictly not allowed. This is a life safety issue!

II. OCCUPANCY

- 1) In order to unify the Members and make the Corporation stronger, all homes within the Community must be owner-occupied, unless an exemption is granted by the Board of Directors according to the procedures outlined in VII. Failure to comply with this article shall result in eviction from the Community. Excepting those homes rented at the time of community purchase, Rental or leasing of homes in the Community shall not be allowed unless approved by the Board of Directors. The Board of Directors shall not approve a rental or lease unless (1) a written request is submitted by the Member alleging hardship and (2) the Board of Directors determine that a hardship exists. If an approval is granted, the decision shall specify the hardship circumstance(s) and the condition(s) of approval. No rental contract exceeding one year may be approved, and each modification or renewal of a rental contract shall need Board approval. The vote of the Board of Directors shall be maintained in the official records of the Corporation.
- 2) All community rents are due on the 1st day of the month. There is a \$20.00 dollar late charge for rent received after the 10th day of each month. Alternate payment arrangements may be

made with the property management company on a case-by-case basis for residents who pay consistently and are current on their rent. A returned check will be assessed \$20.00 over the current bank fees per check. No re-deposits will be made.

- 3) Any homeowner wishing to sell or remove their home is required to give a thirty (30) day written notice of intent to the Board of Directors. Failure to give notice can result in 30 days additional lot rent. Any buyer who wishes to stay in the community must be approved for membership and join the cooperative, and must be approved for tenancy.

If the homeowner receives more than one offer for the same price upon the same terms and conditions, and the potential buyers plan to stay in the community, the Corporations' preference is that the seller accepts the offer from a low-income family or individual.

A low-income family or individual shall be defined as a family or individual whose total income does not exceed 80% of the median income in the county as determined by the U.S. Department of Housing and Urban Development and published in the Federal Register.

- a) For removal of homes:
 - i) All taxes assessed against the home, all lot rent, fees and assessments are to be paid in full.
 - ii) In addition, a copy of the permit to remove is given to the Board of Directors prior to removal.
 - iii) The lot is to be cleaned of any trash, debris, and hazards, i.e. stairs falling apart, outbuildings in disrepair, broken glass.
- b) For homes to be moved in:
 - i) If required by local, state or federal regulations, the age and condition of the home must first be approved by the regulating authority.
 - ii) New homes moving into the community must have been built in 1980 or more recently.
 - iii) The Board of Directors requires written approval of all new and used homes prior to delivery.
 - iv) The Board of Directors reserves the right to inspect and view any used home before moving into the community.
 - v) All work must meet the minimum standards set by local, state and federal law.
- 4) Only those in-home businesses that do not create additional traffic, noise, or odor to the community are allowed.
- 5) Sewer systems are not to be used for disposal of grease, condoms, feminine napkins (including Tampax), children's toys, non-bathroom tissue and bio-hazard material. If the damages to the sewer system are found to be due to the homeowner's failure to follow this rule, the homeowner may be responsible for the entire cost of the repair.
- 6) It is the responsibility of the homeowner to provide for securing the home's water lines from leakage, especially during the winter months. All lines above ground are the responsibility of the homeowner. At this time, the standard method is by heat tape. You are required to

inspect and plug heat tape in each year in the fall. Spigots, valves and other plumbing fixtures must not leak and must be kept in good repair. The cooperative reserves the right to shut off the water at any home where there is a leak until a repair is made. If the damages to the Corporation's property and/or infrastructure are found to be due to the homeowner's failure to follow this rule, the homeowner may be responsible for the entire cost of the repair.

- 7) Notify the Board of Directors if there is a change in the occupancy in your home of over 30 days. The Board of Directors requires an Occupancy Agreement to be signed by an additional adult occupant as well as a criminal background check. Conviction for a felony in the last five years or for any offense requiring registration under "Megan's Law" is grounds for rejection as an occupant or a member.
- 8) All homeowners are responsible for the actions of their guests, members of their household, their children and their pets. Rules apply to all guests as well as the homeowner household.
- 9) Adults, children and pets are not to be on the property of others uninvited.
- 10) Residents and guests will conduct themselves in a reasonable manner so as not to disturb others. Public drunkenness is strictly prohibited. This is a drug free community. Use, sale or giving of illegal drugs to others in this community is prohibited and is cause for immediate eviction, with prosecution to the fullest extent of the law. No fighting or screaming in the common areas. No public drunkenness or disorderly conduct. Having law enforcement called three times for any member and is found guilty of committing a crime is grounds for eviction and termination of membership.
- 11) A moderate noise level from radios, electronic equipment, vehicles and parties is expected at all times. Quiet hours are from 10 PM to 7 AM on week days and 12 PM to 7 AM on weekends

III. BUILDINGS AND STRUCTURES

- 1) All homes need to be maintained in good condition, skirted, clean, neat and properly painted in a manner in keeping with the general appearance of the community.
- 2) Accessory buildings, porches, decks and skirting are to be kept painted and in good repair so the appearance of the home and lot are attractive overall.
- 3) No permanent pools or trampolines are allowed in the community as is required by the community's insurance.

IV. SITES

- 1) Freestanding clotheslines are permitted. Stringing lines between trees and/or the home is not permitted.

- 2) Trash is to be kept in closed containers designed for that purpose and containers must be kept off of the road except on the night before and the day of trash service and must be taken out weekly. Spills must be cleaned up immediately
- 3) Yards are to be kept neat and free of debris. Lawns are to be kept trimmed and mowed, the grass no higher than 6". If a lot is neglected, the cooperative reserves the right to have the lot cleaned and paid for at the owner's expense.
- 4) Appliances, large containers, motors, auto body parts, tools, building supplies, chemicals, drums, and other discarded items may not be left on lawns or around homes. No old furniture of any kind except for lawn furniture may be left around the home. Repairs are ok, to be completed in a timely manner) No vehicles may be left on jack stands or blocks unsupervised (child safety issue)
- 5) Outside burning of leaves, rubbish, etc. is not permitted. Gas and charcoal grills, and small above ground fire pits are permitted. This rule does not supersede any and all applicable fire codes.
- 6) Fences are allowed but must be a maximum of 6 feet tall, secure, and must provide access to the lot via the front of the lot, and must be kept in good repair. Any fences that are in place in good condition at this time can stay and are grandfathered in.
- 7) The use of the lot by the homeowner will not interfere with the cooperative's ability to perform any upkeep and maintenance of the community infrastructure. Call star 811 (*811) before you dig or plant!
- 8) Prior written approval by the Board of Directors is required for all planting, trimming and replacement of trees. Approval is at the discretion of the Board of Directors.
- 9) Surveillance cameras, if being used, must be pointed at own property. Must not be pointed at anyone else's property in any way.

V. VEHICLES

- 1) Unregistered and/or un-inspected motor vehicles and trailers are allowed in the community for 30 days and then must be registered and inspected, or removed.
- 2) Parking spaces are available on the designated area as part of each lot. There is no parking on lawns, on the concrete slab and no parking on the street.
- 3) There is to be no racing or inappropriate use of vehicles in the community.
- 4) The speed limit is 5 MPH.
- 5) Overnight parking of vehicles with a gross vehicle weight (GVW) of over 20,000 pounds in the community requires prior approval of the Board of Directors.

- 6) Main Road needs to be clear enough for emergency vehicles at all times. Violators may be towed at owner's expense. Visitors must park in member's designated space or visitor parking.

VI. PETS

While the members of this community understand that pets are personally pleasurable and important, not everyone likes the same pets. The following rules are intended to create a healthy environment for everyone.

- 1) Domestic pets are allowed in this community with restrictions. Proper immunization and licensing is an important responsibility of the homeowner. Placement of farm and wild animals on any cooperative property is not allowed.
- 2) Each household is allowed no more than 2 dogs and 2 cats. Fish and birds allowed
- 3) Dogs will either be restricted to their lot either within a fence or on a chain. Dogs outside of their lot must be on a leash or be well trained. A barking dog may not be left outside for longer than ten minutes.
- 4) Cats must be spayed or neutered, and must be registered with the co-op. Cats are NOT allowed to roam free. They must always be in the owner's yard or in the house.
- 5) ALL solid wastes from pets are to be picked up by the owner immediately if in common areas and weekly if in the owner's yard. All waste must be disposed of in the proper manner.
- 6) Due to our insurance, pitbull dogs and crosses of pitbull dogs are not allowed in the Community. Those currently here have been grandfathered in. They were here before the transition to a ROC Community.

VII. ATTORNEY'S FEES AND COSTS

In the event any legal action is commenced by the cooperative to collect past due rent, to evict for any reason, or for any other reason, the homeowner may be required to pay all legal fees and costs incurred by the cooperative. These fees and costs may be required to be paid by the homeowner, even if the eviction is terminated or cancelled by the cooperative. The legal fees would also include all such fees and costs incurred in connection with a Supreme Court Appeal filed by the homeowner. The legal fees and costs incurred by the cooperative shall be considered additional rent for the unit in question, and this additional rent shall be due and payable by the homeowner in accordance with these Community Rules.

In the event a legal action is commenced against the Cooperative by a homeowner, the prevailing party may be entitled to attorney's fees incurred in defending such action. The term legal action shall include any civil action brought before the court of law and any action or claim brought before a Board, administrative agency or other such body.

VIII. SEVERABILITY

Should any part of these rules to be deemed illegal it does not mean that these entire rules are illegal.

IX. LIABILITY AND INDEMNITY

The cooperative shall not be liable for debt or damage claimed for injury to persons, including homeowners and their guests or for property damage from any cause related to homeowner's occupancy of the lot or pets, guests, family members or invitees of the homeowner. The cooperative shall not be liable for any damages due or occasioned by or from plumbing, gas, water, steam or other pipes or sewage, or the bursting, leaking or running of any pipe, tank, washstand, water closet or waste pipe, in, above, upon or about said lot or community premises. Not for any damage arising from acts of neglect of co-resident, or other occupants of the manufactured home community or of any homeowners, residents, occupants, owner of adjacent or contiguous lots and property. Homeowners shall pay for any expense, damage, or repair occasioned by the stopping of waste pipes or overflow of water, and from any and all damages not occasioned by reasonable wear and tear, caused by their improper use thereof. Homeowners hereby covenant and agree to indemnify cooperative and save it harmless from all costs and expenses including attorney's fees, liability loss or other claims or losses. Nothing herein shall be deemed to release the cooperative from gross negligence.

Except for gross negligence of cooperative, homeowners hereby release cooperative from any responsibility for any injuries or damages occurring upon or in any way connected with, the premises or nearby streets. Also, the cooperative is not responsible for claims or damages that may be caused by the re-entering and taking of possession by cooperative under conditions of these rules and regulations or the laws of the State of Montana.

**Member Lease Agreement
River Acres, Inc.**

This Agreement, made and entered into at Missoula, in the State of Montana this _____ day of _____, 202__, by and between River Acres, Inc. a non-profit corporation organized under the laws of the State of Montana, having its principal place of business at 1920 River Road, Missoula, MT (hereinafter called the "Corporation"), and _____ (hereinafter called the "Member") of _____.

WHEREAS, the Corporation was organized to own and operate a manufactured housing community, now known as River Acres, (hereinafter called the "Community"), for the benefit of its Members and others; and

WHEREAS, the Member has been provided a complete copy of the Articles of Incorporation and the Bylaws of the Corporation and is familiar with their terms; and

WHEREAS, the Member has a bona fide intention to reside in the Community and to continue such residence during Membership; and

WHEREAS, the Member has paid or agrees to pay the Membership Fee of \$100.00 and will receive a Certificate of Membership in the Corporation once the fee has been paid in full; and

WHEREAS, the Corporation and the Members deem it to be in their mutual interest to commemorate the Membership and rental arrangement in written form.

NOW THEREFORE, the parties do agree as follows:

Article 1 - Premises: The Corporation leases to the Member and the Member leases from the Corporation 1920 River Road # _____ (hereinafter called the "Lot") in the Community.

Article 2 - Term: Upon payment of the rental herein, and upon compliance with the other terms of this agreement, the bylaws of the Corporation, and the Community Rules established by the Members, all as they may be amended from time to time, the Member shall have a perpetual right to occupy said Lot. If Member intends to terminate the lease and Membership, Member shall provide thirty (30) days' written notice to the Corporation.

Article 3 - Lot Rent: The Member covenants and agrees to pay all lot rent and other expenses in a timely manner in the monthly sum of \$365.00 for Members owning a manufactured home in the Community, the Member's share of the monthly sum currently required by the Corporation, as estimated by its Board of Directors, to meet its expenses and reserves. The Lot Rent may be increased according to the bylaws, with a thirty (30) day written advance notice. The Lot Rent must be paid on the 1st day of each month and there is a \$20.00 late payment fee for Lot Rent received after the 10th day of each month. All such late fees shall be considered additional rent hereunder.

The Member further agrees to timely pay when and if due to the County of Missoula all property taxes assessed against the manufactured housing unit owned by the Member. (If the Corporation, upon demand or requirement of a lender or for other reason, has elected to pay any taxes so assessed against the Members' unit, the Members shall promptly reimburse the Corporation). Any fees advanced by the Corporation for taxes or other Lot Rent shall be added to the Corporation's lien for unpaid rents. The Corporation reserves the right to secure a lien on the home of the Member for any Member's lot rent and non-reimbursed expenses incurred by the Corporation.

Article 4 - Waiver of Homestead Interest: Member (and Member's spouse or partner in civil union signing this agreement for these purposes, if not as a Member) hereby waives any and all homestead rights, if any, established by state or federal law as to any lien by the Corporation for payment of lot rent and advances provided for in this agreement or by statute.

Article 5 - Membership Fee: The Member has paid or will pay the Membership Fee by payment in full before occupying the Lot. An exception is hereby made for tenancies prior to acquisition of the Community by the Corporation; the payment plan agreed to in the Membership Agreement is hereby incorporated into this Lease Agreement.

Article 6 – Security Deposit: The Member has paid or will pay the Security Deposit by payment in full before occupying the Lot.

Article 6 - Patronage Refunds: The Corporation may refund or credit to the Member, within ninety (90) days of the end of its fiscal year, the proportionate share of accumulated Lot Rent as has been collected from the Member that are in excess of the amount needed for expenses of all kinds, including reserves; but only insofar as such refund or credit is consistent with state law or permissible under the terms and provisions of any loan documentation incidental to secured mortgage financing upon the Community, as applicable from time to time.

Article 7 - Member's Further Obligations and Covenants: The Member shall comply with all duties set forth under Montana law, specifically, but not limited to Montana Residential Mobile Home Lot Rental Act, Mont. Code Ann. §§ 70-33-101 et seq., and shall further agree to abide by the terms and conditions of this Agreement, and the Articles of Incorporation and bylaws of the Corporation, and Community Rules of the Corporation now in force or as they may be placed in force from time to time during the period of lease. The Member acknowledges receipt of a copy of the applicable rules in effect at the execution of the Lease Agreement.

The Member further agrees to participate “Cooperatively” in the operation and management of the Corporation by serving as requested on its committees or Board of Directors; to conduct himself/herself and his/her guests when on the Lot and in the Community in such a manner as not to disturb or threaten other Members, other tenants, or their respective guests and invitees; to pay any and all damages caused intentionally or negligently by the Member, or the Member's guests or invitees, to any and all property, real or personal, of the Corporation; to be otherwise in control of and responsible for the peaceable and non-disturbing conduct of Member's family, guests and invitees; and to otherwise reasonably obey and comply with all Community Rules.

The Member shall be responsible for all maintenance and repair of the lot, including usual maintenance of paved parking spaces if provided, with exception of any underground system, such as underground oil tanks, or water, electrical or septic systems, unless such repair is due to the negligence of the Member.

Member must have the consent of the Corporation Board of Directors to plant, cut or trim trees or to modify landscaping with anything more than annual flowers. Any and all additions to landscaping become part of the leasehold premises and shall not be removed by the Member except with the expressed written consent of the Corporation Board of Directors. Member should carry homeowner's insurance including general liability insurance, however, because the Corporation is not able to effectively monitor that the homeowner's insurance coverage is current, it is the homeowner's responsibility to keep it current.

Article 8 - Corporation's Covenants: The Corporation shall comply with all duties set forth under applicable law, and it agrees to otherwise abide by all affirmative obligations assumed by it pursuant to its Articles of Incorporation, bylaws or Community Rules, as they now exist or as they may be later amended from time to time.

Provided that the Member has provided a safe and properly maintained connection capability, the Corporation agrees to provide water and sewer utilities to the Member's Lot and to maintain these utilities in good and reasonable working order; to plow and maintain roads providing ingress and egress between the Lot and the public road, to maintain common areas in a reasonably neat and attractive manner; to responsibly manage the Community and the Corporation's finances, including the payment of liability insurance and property taxes on the land; to duly report the significant and material doings and undertakings of the directorship to the Membership, and any special meetings that may be called from time to time; to provide copies of annual audit of the Corporation's finances; and not to discriminate against the Member in the provision of any services it is required to provide.

Article 9 - Eviction: The Member understands and acknowledges that he/she may be evicted from the Community for violation of this agreement or for any violation by which a Member may be evicted as set forth in the Community Rules or for any reason specified in the Montana Residential Mobile Home Lot Rental Act, all as they now exist or as they may hereafter be amended from time to time.

The Member also understands and acknowledges that eviction pursuant to this agreement is grounds for expulsion from Membership in the Corporation as well as for any reason specified in the Bylaws, as it now exists or as it may hereafter be amended from time to time. For this reason, all Eviction Notices may be accompanied by a notice of the charges against them and of a reasonable opportunity to be heard before the Board of Directors of the Corporation not less than 15 days from the date of said notice. Failure to give said notice shall not constitute grounds to delay or avoid eviction.

Article 10 - Sublease: The Premises may be sublet to a third party only in the event of extreme and temporary hardship, as determined by the Board of Directors and upon such terms and for such time periods as it deems appropriate in its sole discretion and sets forth in writing.

Article 11 - Limitation on Member's Right to Make On-Site Sale: The Member acknowledges the application of the resale limitations and restrictions of Section II:3 of the Community Rules of the Corporation as may be amended from time to time and agrees to abide and comply therewith.

Article 12 - Severability: If any clause, part of a clause or provision of this Agreement shall be determined to be invalid under any law or their application by a Court of competent jurisdiction, such invalidity shall not affect the validity of all remaining portions of that clause or provision or the other clauses or provisions of this Agreement.

Article 13 - Waiver: Either party's failure to insist upon strict performance of any provision of this Agreement shall not be deemed or construed as a waiver of performance of any other term of the Agreement or a waiver of such provision on future occasion.

Article 14 - Notices: Whenever the provisions of law or the Corporation Bylaws require Notice to be given to either party, any notice by the Corporation to the Member shall be deemed to have been duly given if the notice is delivered to the Member at the Lot or to the Member's last known address; and any notice by the Member if delivered to a current elected Officer of the Corporation. Such notice may also be given by depositing the notice in the United States mail, addressed to the Member, as shown on the books of the Corporation, or to the President of the Corporation, as the case may be, and the time of mailing shall be deemed to be the time of the giving of such notice.

Article 15 - Representations Not Binding: No representations other than those contained in this Agreement, the Articles of Incorporation, the Bylaws or the Community Rules of the Corporation, now in effect, or as they may hereafter be amended from time to time, shall be binding upon the Corporation.

Article 16 - Attorneys' Fees and Costs: In the event any legal action is commenced to enforce the rights or obligations provided for herein, the prevailing party shall be entitled to recover from the other party all legal fees and costs relating to or arising from such action. The term legal action shall include any civil action brought before the court of law and any action or claim brought before a Board, administrative agency or other such body.

Article 17 - Time of the Essence: Time is of the essence of this Lease Agreement and any term, covenant or condition contained herein.

Article 18 - Joint and Several Liabilities: If more than one (1) Member party shall execute this Agreement, the obligations of the Members shall be their joint and several obligations in every instance.

Article 19 - Assignment to Lender: The Member recognizes and agrees that this Agreement is subject to a certain Collateral Assignment of Leases and Lease Agreements between the Corporation and its lending institutions and further agrees to accept and recognize these lenders' rights under said Assignment in the event those rights are exercised.

Article 20 - Home Financing Contact: The following are the names and addresses of persons and/or institutions holding a mortgage or security interest in my home:

Name	Address
------	---------

Name	Address
------	---------

Article 21 – Contact Information:

Homeowner Name(s): _____

Address: _____ Telephone: _____

Names of each additional person living at the above address:

Name(s)

Name(s)

Name(s)

Name(s)

Emergency Contact Information

List the name, address, and phone number of the person you would want notified in case of an emergency:

IN WITNESS WHEREOF, the parties have hereunto set their hands on the date first above written.

Corporation Officers:

Signed _____
Its duly authorized Officer

Name _____

Signed _____
Its duly authorized Officer

Name _____

Members:

Signed _____

Name _____

Signed _____

Name _____

All titled Members must sign above. Untitled spouses or partners in civil unions are also encouraged to sign above.

Untitled spouse or partner in civil union who do not sign above must sign below for the purpose of waiving Homestead Interest.

Untitled spouse or partner in civil union:

Signed _____

Name _____

Witness to all signatures:

Signed _____

Name _____

River Acres, Inc.
Pet Registration Form

Please fill out one form per pet and *include a photo of the pet and if the pet is a dog a copy of the registration for the pet.*

Pet owner's contact info:

name(s): _____

address: _____

phone number: _____ email address: _____

Number of Pets: ____ cat(s) ____ dog(s) ____ other (outdoor pets) – specify: _____

Pet 1: Name: _____

Pet 2: Name: _____

Tag #: _____

Tag #: _____

_____ cat _____ dog

_____ cat _____ dog

_____ other – specify: _____

_____ other – specify: _____

Breed: _____

Breed: _____

Color: _____

Color: _____

Pet 3: Name: _____

Pet 4: Name: _____

Tag #: _____

Tag #: _____

_____ cat _____ dog

_____ cat _____ dog

_____ other – specify: _____

_____ other – specify: _____

Breed: _____

Breed: _____

Color: _____

Color: _____

If you are not at home, who can handle your pet(s)?

Name: _____ Phone: _____

Failure to comply with the Community Rules, specifically related to pets, is a breach of your Lease Agreement and is sufficient grounds for eviction as per the laws of the State of Montana.

The Community Rules, specifically related to pets, will be strictly enforced.

Signature: _____ Date: _____

Signature: _____ Date: _____



Selling the Home

Homeowner Responsibilities

- The homeowner must inform the Board of his or her intent to sell the home in accordance with the Bylaws and the Community Rules.
- In most ROCs, the home is preferred to be marketed to low- to moderate-income homebuyers for the initial period of 30-60 days, depending on the Bylaws. All other considerations being equal, income-qualifying buyers are preferred during this period.
- If the homeowner vacates the home during the sale process, he or she is still fully responsible for all upkeep and lot rent.
- All ROC requirements regarding “For Sale” signage must be adhered to. Check the Community Rules for clarification.
- The homeowner is responsible for continued maintenance of the lot and preparation for the change in ownership. The lot must be left neat and clean.
- The homeowner is the initial liaison between buyers/real estate agents and the Membership Committee.
- The homeowner/seller should request that a Membership Application Package be given to any prospective buyers and/or real estate agencies that list the home.
- The homeowner/seller is required to inform all prospective buyers of the requirement of Membership acceptance, the process, the timeframe involved, and any special conditions that may apply.
- Fuel storage tanks must be upgraded to meet state and federal installation standards BEFORE ownership changes. The financial responsibility for this must be decided between the seller and buyer.
- Pro-ration of lot rent must occur between the seller and buyer. No credit for any portion of lot rent will be given by the ROC to either party.
- The ROC does not involve itself with negotiations of the sale of the home, except as it may directly affect the ROC!
- Transfer of the Membership Deposit as a part of the sale is not allowed. The buyer must pay their whole Membership Deposit directly to the ROC.
- The sale transaction is not complete until the buyer’s Membership Deposit is verified to be paid in full to the ROC, and a new Lease Agreement is fully executed. The property owner should not unreasonably withhold a requested signature on a Statement of Intent to Declare a Manufactured Home an Improvement to Real Property. If there are fees owed to the ROC by the seller, the Statement of Intent may be furnished “in escrow” to the closing or settlement agent until those fees are taken care of.

- Only then may the new homeowner take full possession of the dwelling and move in.
- Under no circumstance may the new owner move any property into the home or onto the lot until the sale is complete. This includes resolving any issues between the ROC and the previous homeowner.

Important Note: The ROC, as the Property Owner, is subject to 70-33-101 Montana Code Annotated prohibitions under the Montana Residential Mobile Home Lot Rental Act. For more information, visit <http://www.montanalawhelp.org/files/0ED0131F-1EC9-4FC4-652E-FC8C4E92C777/attachments/ECE69EEC-0487-67A5-3D45-D67187C9C019/402271QandA%20for%20mobiles%20manufactureds.pdf>.

Certificate of Membership

_____ (name)

has fulfilled the requirements for membership and is now a Member of

River Acres, Inc.
(the Corporation).

This Certificate entitles the holder to a lifetime lease on

___ # _____ Street in

River Acres, Inc.
(the Community)

in the State of Montana, subject to the lease terms, the Community Rules, Member Lease Agreement and the Bylaws of the Corporation.

Membership requirements are prescribed by the Bylaws of the Corporation, and the sale or transfer of Membership Interests is prohibited under the Montana Nonprofit Corporation Act.

The Corporation has the right to recall a Membership Certificate once occupancy of the site is terminated and the right to expel "any Member whose activity in the Corporation is contrary to basic cooperative principles or who endangers effective operation of the Corporation" may be expelled by the Board of Directors. ** Termination of Membership is not required prior to eviction.

This is a public-benefit nonprofit Corporation, which means that Corporation assets cannot be distributed to its Members in the event of dissolution or liquidation.

Dated _____ day of _____ 20_____

Cooperative Officer

Cooperative Officer

** See Cooperation Principles attached hereto.

International Association Alliance Principles

1st Principle: Voluntary and Open Membership

Co-operatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

2nd Principle: Democratic Member Control

Co-operatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary co-operatives members have equal voting rights (one member, one vote) and co-operatives at other levels are also organized in a democratic manner.

3rd Principle: Member Economic Participation

Members contribute equitably to, and democratically control, the capital of their co-operative. At least part of that capital is usually the common property of the co-operative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing their co-operative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the co-operative; and supporting other activities approved by the membership.

4th Principle: Autonomy and Independence

Co-operatives are autonomous, self-help organizations controlled by their members. If they enter to agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their co-operative autonomy.

5th Principle: Education, Training and Information

Co-operatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operatives. They inform the general public - particularly young people and opinion leaders - about the nature and benefits of co-operation.

6th Principle: Co-operation among Co-operatives

Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional and international structures.

7th Principle: Concern for Community

Co-operatives work for the sustainable development of their communities through policies approved by their members.

These principles can be found on the International Association Alliance website at <http://www.ica.coop/al-ica/>.

River Acres, Inc.
Member Interest Questionnaire

In order to fully understand the resources that exist within our Members in this Community, it is important that we know what it is you like to do. We prefer people volunteer, but sometimes the Board of Directors will ask for assistance. They prefer to ask a person to help out in ways that they know he/she would enjoy.

- a. What do you like to do for fun?

- b. What skills/talents do you possess?

- c. What is your best attribute (if someone else were to describe you as a person, what might they say)?

- d. Do you like working with your hands? If so, how? (i.e. gardening, building things, etc.)

- e. If you were asked to participate in the ROC, what would you **want** to do?

- f. What days and/or times work best for you?

Please check all interests that you feel comfortable doing (or are willing to learn):

- | | |
|---|---|
| <input type="checkbox"/> Plumbing | <input type="checkbox"/> Septic Systems |
| <input type="checkbox"/> Water systems | <input type="checkbox"/> Gardening |
| <input type="checkbox"/> Taking Notes | <input type="checkbox"/> Book Club |
| <input type="checkbox"/> Nature Walks | <input type="checkbox"/> Publishing a newsletter |
| <input type="checkbox"/> Book Club | <input type="checkbox"/> Fall/Spring Clean-up |
| <input type="checkbox"/> Bookkeeping | <input type="checkbox"/> Knitting group |
| <input type="checkbox"/> Working with teenagers | <input type="checkbox"/> Filing |
| <input type="checkbox"/> Recycling | <input type="checkbox"/> Carpentry or Wood-working |
| <input type="checkbox"/> Flower Arrangements | <input type="checkbox"/> Yard Sales |
| <input type="checkbox"/> Organizing events | <input type="checkbox"/> Easy fundraisers (bake sale, etc.) |
| <input type="checkbox"/> Crime Watch | <input type="checkbox"/> Childcare |
| <input type="checkbox"/> Baking | <input type="checkbox"/> Making reminder phone calls |
| <input type="checkbox"/> Board games enthusiast | <input type="checkbox"/> Grilling |
| <input type="checkbox"/> _____ | |

I am interested in learning more about the following roles on the ROC's Board of Directors:

- President
- Vice-President
- Treasurer
- Secretary
- Operations Manager/Director

There are many ways for Members to have a voice in the community. One great way to get to know your neighbors, as well as to have a say in how things are run, is to join a committee. Please check the committee below which you feel best serves your interests and talents:

- Membership Committee
- Finance Committee
- Social Committee
- Community Rules Enforcement
- Maintenance Committee
- Ad-hoc committees, as needed.

Thank you for completing this questionnaire. A Member of the Community will be contacting you shortly about your volunteer interests.

Name (s): _____

Phone : _____

Best time to call: _____