

## **Cedar Cohousing**

### **Member Responsibilities and Expectations**

#### **LEGAL ENTITY: Cedar Cohousing Limited Liability Company (CCLLC)**

- Legal entity formed to work together to fund, acquire, and develop a property that will become our home.
- CCLLC, our self-funded multi-family, cohousing community, will transition to a condominium association upon moving in.
- Choice of unit is determined by membership origination date.

#### **COST CONSIDERATIONS**

- Members make a non-refundable \$500 capital contribution (\$300 of which is a roll-over from the Explorer fee) and commit to loan the Company an additional \$2,000 to help fund the development phase.
- The building project will consist of “market rate” units of varying sizes (studio – 3 bedrooms). As of May 2021 our estimated unit prices range from \$300,000 to \$600,000. However, due to rising construction costs we cannot predict final prices.
- Members must qualify for and secure a mortgage for their reserved unit by completion of construction.

#### **START-UP MONEY**

- Financial investment by CCLLC members is necessary to hire consultants, lawyers, architects, developers, contractors, and other such professionals to complete this project.
- Various “cash calls” for member loans will be made throughout the process. Members must evaluate their borrowing capacity and how much they can afford to lend, e.g., from a home equity line or their savings. The broader the financial participation among members, the less risk imposed on any one member.
- Member loans to the Company up to 20% of unit price will be credited as your down-payment on your home.
- Willing and able members may be needed to put up a larger share of cash during the development phase if other members are less liquid to keep the project moving forward.
- Home price discounts will be given to members who make early loans to the CCLLC project prior to construction.

#### **GOVERNANCE**

- New members are voted in unanimously by current members.
- Participation of all members is essential for the success of the emergent community - - giving of their time, talent, and engagement throughout the development phase and beyond.
- Our governance model is based on the principles of Sociocracy. This decentralized and egalitarian system entails decision-making by consent within small group working circles.
- Current circles for member engagement include Outreach, Finance, Development, and Leadership with new circles created as needed.

06/23/2021