

TABLE OF CONTENTS

Paragraph	Page
CHAPTER 1. COOPERATIVE HOUSING INSURANCE PROGRAMS	
SECTION 1. GENERAL CHARACTERISTICS	
1-1. Cooperative (Summary Explanation)	1-1
1-2. Basis of Ownership (Summary)	1-2
1-3. Basic Insurance Programs Under Section 213	1-3
1-4. Basic Insurance Programs to Organize a Cooperative Under Section 221(d)(3) Market Interest Rate and Section 236	1-4
1-5. Characteristics of the Insurance Approaches to Organizing a Cooperative	1-4
1-6. Mortgage Limits	1-4
1-7. Per-Unit Limits under Section 221(d)(3) Market Interest Rate and Section 236	1-5
1-8. Per-Unit Limits under Section 221(d)(3) Market Interest Rate and Section 236	1-5
1-9. Cooperative Housing Mortgage Insurance	1-5
1-10. Eligibility of Mortgagors	1-6
1-11. Cooperative Housing Insured under Section 221(d)(3) Market Interest Rate	1-6
1-12. Cooperative Housing for Lower Income Families under Section 236	1-7
1-13. Establishing Eligibility for Future Insurance	1-7
1-14. Supplementary Cooperative Loans	1-9
1-15. Technical Advice and Assistance	1-11
1-16. Construction Features	1-11
1-17. Single Occupancy Units	1-12
1-18. Cooperative Characteristics	1-12
1-19. Nonprofit as it Relates to the Cooperative and its Sponsorship	1-14
1-20. Application of Cost Certification to Different Cooperative Programs	1-14
1-21. Presale of Unit Memberships	1-14
1-22. Escrows	1-14
* 1-23. Safeguarding of Down Payments	1-15*
1-24. Assurance of Permanent Financing	1-15
1-25. Down Payment Requirements	1-15
1-26. Testing the Market	1-17
1-27. Requests for Feasibility Analysis	1-18
1-28. Assistance Payments to Members of Section 213 Cooperatives Pursuant to Section 235	1-18
1-29. Cooperative Management Housing Insurance Fund	1-19
i	11/74
<hr/>	
Paragraph	Page
SECTION 2. SPONSORSHIP AND SPONSORSHIP ORGANIZATION	
1-30. Sponsorship	1-21
1-31. Provisional Board of Directors	1-22
1-32. Organizational Period	1-26

CHAPTER 2. COOPERATIVE MOBILE HOME PARKS

2-1.	Purpose	2-1
2-2.	Regulations Applicable	2-1
2-3.	Types of Cooperatives Eligible	2-1
2-4.	General Eligibility Criteria and Instructions for Sponsors	2-1

CHAPTER 3. BASIC STRUCTURE AND ORGANIZATION OF COOPERATIVE CORPORATIONS INSURED UNDER THE NATIONAL HOUSING ACT

3-1.	Introduction	3-1
3-2.	Model Forms of Organizational Documents in General	3-1
3-3.	Model Forms of Information Bulletins, Section 213 and Section 221(d)(3) Market Interest Rate	3-2
3-4.	General Instructions Applicable to all Information Bulletins	3-2
3-5.	Model Forms of Certificates of Incorporation	3-7
3-6.	Model Form of Regulatory Agreement, FHA Form No. 3225	3-7
3-7.	Model Form of By-Laws, FHA Form No. 3245	3-7
3-8.	Model Form of Subscription Agreement, Management type, FHA Form No. 3232	3-7
3-9.	Model Form of Additional Down Payment Agreement, FHA Form No, 3232-B	3-8
3-10.	Model Forms of Occupancy Agreements	3-8
3-11.	Cooperative Agency Agreement	3-8
3-12.	"Consumer Cooperative" Certification to Government National Mortgage Association	3-8
3-13.	HUD Functions During Solicitation Period	3-9
3-14.	Initial Operating Budget and Initial Schedule of Carrying Charges, HUD Form No. 93240, (Applicable to all Cooperatives)	3-9
3-15.	Operating Budget and Schedule of Carrying Charges Developed After Occupancy	3-11
3-16.	General Information for Preparation and Submission	3-12
3-17.	Budgeting for a Single Cooperative Corporation having Several Mortgage Panels	3-12
3-18.	Budget Approval	3-12
3-19.	Plan of Operation	3-12

11/74

ii

Paragraph	Page	
3-20.	Allocation Real Estate Taxes	3-13
3-21.	General Operating Reserve	3-14
3-22.	Allocation for Replacement Reserve	3-14
3-23.	Opinion of Independent Managing Agent	3-15
3-24.	Revision of Schedule Prior to Occupancy	3-15
3-25.	Figures	3-15
Figure A	- Cooperative Accounting Concept	3-16
Figure B	- HUD Form 93240 - Annual Operating Budget for Cooperative Housing Corporations	3-17

FORMS APPENDIX I - BASIC STRUCTURE AND ORGANIZATION

Appendices FHA Forms

1-1	3225	Regulatory Agreement
1-2	3232	Subscription Agreement, Model Form of
1-3	3232-A	Supplement to Subscription Agreement
1-4	3232-B	Additional Down Payment Agreement, Model Form of
1-5	3234-B	Certificate of Incorporation, Model Form of (Where Regulatory Agreement Used)
1-6	3235	Certificate of Incorporation, Model Form of
1-7	3237	Occupancy Agreement, Model Form of
1-8	3237-B	Occupancy Agreement, Model Form of (More Than One Mortgage Parcel)
	*93240	Annual Operating Budget for Cooperative Housing Corporations
1-9	3241	Information Bulletin, Model Form of
1-10	3241-A	Information, Model Form of (Investor-Sponsor Purchasing Cooperative and Existing Construction Project)
1-11	3245	By-Laws, Model Form of

*See Figure B of Chapter 3 for Model Form