

## UNIVERSITY SQUARE NO.1, INC.

4625 5<sup>th</sup> Avenue \* Pittsburgh, Pa 15213

### *Information Regarding Co-operative Living*

University Square is a Co-operative style residential building. In a Co-operative, in lieu of a deed to a Unit, the Shareholder receives a stock certificate for the number of shares the Shareholder owns in the Corporation. Sales prices of Units are conditioned on a variety of factors, including, but not limited to: the condition of the Unit, market conditions, seller's motivation, and location in the building.

The following is a high-level summary of the qualifications required of Shareholders residing in University Square No. 1, Inc.\*

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### *Financial Qualifications*

- ✓ \$100,000 in Assets
  - Assets include, but are not limited to: investment accounts, cash, real estate equity, retirement funds (IRA)
- ✓ The Purchase Price of the Unit which must be in cash
- ✓ Convenience Mortgages are allowable however a 30% down payment is required and the prospective buyer still must give evidence that s/he has the cash to purchase the Unit.
  - Mortgages are allowable only through NexTier Bank or Apollo Trust.
- ✓ Monthly Income equaling three (3) times the monthly Carrying Charge of the Unit being purchased

- ✓ Three (e)-month Buy-In which is calculated using the amount of the monthly Carrying Charge of the Unit being purchased.
  - The Buy-in is a one-time, non-refundable payment.
  - Buy-In funds are deposited in the University Square No. 1, Inc. Capital Reserve Account.
- ✓ All funds must be in a United States financial institution.
- ✓ Clean credit report

## Trusts/Inheritance

- ✓ Revocable Trusts are allowed as long as the shareholder is named the trustee.
- ✓ If a prospective buyer has inherited a Unit, the assessed value of the said Unit will be used as the purchase price when qualifying the prospective buyer.
- ✓ Persons who inherit a Unit must meet all of the qualifications of the Corporation.
  - Persons who do not meet the financial qualifications outlined above must sell the Unit.

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## *Additional Shareholder Requirements*

- ✓ Three (3) Personal/Professional References (Not a Relative or Family Member)
- ✓ Clean Financial and Criminal Background Checks
- ✓ Attendance at a University Square No. 1, Inc. Orientation Session
  - All other individuals who will live in the Unit with the Shareholder also must attend the Orientation Session.

## *Monthly Carrying Charges*

A monthly Carrying Charge is based on the size (the number of square feet) of the Unit. The Carrying Charge increases by \$10.00 every two floors. The calculation of the square footage includes the balcony, where applicable.

The original formulation for the monthly Carrying Charge was developed in 1956 at the time US #1 was incorporated. This formulation continues to be used today.

*\*NOTE:*

*The University Square No. 1, Inc. Finance Committee and Board of Directors shall approve any and all candidates who apply to become a Shareholder in the Corporation.*

*The Board of Directors may, at any time as deemed necessary, change the above qualifications for a prospective buyer to become a Shareholder in the Corporation.*

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## *Shareholder Occupancy Restrictions*

University Square No. 1, Inc. Governing Documents are designed to reflect the unique characteristics of a Co-operative Community, including the shared responsibility and accountability of the Shareholder and the Cooperation. The following is a summary of the *Corporation By-Laws* and

*Occupancy Agreement* specific provisions regarding Shareholder

Occupancy Restrictions:

- A Unit may not be occupied by Non-Shareholder residents unless a record Shareholder occupies the Unit at least six non-consecutive months in a calendar year.
- All non-shareholder residents 18 and older, including a family member relative and friend, must be pre-approved by the Board of Directors and attend the University Square No. 1, Inc. Orientation Session before occupancy. All non-shareholder residents must sign a Non-Shareholder Resident form prior to occupancy.
- Non-shareholder residents will not be approved and may not occupy a Unit when at least one record Shareholder does not use the Unit as a residence at any time.
- The Unit may only be a primary residence for a non-shareholder if he or she resides with a Shareholder of record whose primary or permanent residence is at the Corporation.
- Upon request or upon a request for approval of a non-shareholder resident, the record shareholder must provide proof of occupancy at the discretion of the Board of Directors.
- The Shareholder is required to submit proof of occupancy of the Unit each year and must immediately notify the Board of Directors in the event of a change in occupancy.
- In the absence of the record Shareholder, the Unit may not be occupied by a house-sitter, relative, friend, visitor or otherwise.
- Short-term rentals, leasing and/or subleasing are not permitted under any circumstances. This includes but is not limited to services such as AirBNB.

*For further information on Co-operative Living at University Square No. 1, please contact University Square No. 1, Inc. Building Management - 412/683-3900.*