



EG Cooperative Orientation

3045 Eastern Avenue * Sacramento, CA 95821 * (916) 489-1604 * Fax (916) 489-1627
www.easterngardenscoop.org



***Welcome
To
Eastern Gardens Cooperative, Inc.!***

Dear New Resident Member,

Welcome to Eastern Gardens Cooperative, Inc.!

This welcome booklet contains the information needed to help make your move in to Eastern Gardens Cooperative Multi-Family Apartments an easy and comfortable experience. Also included is a brief summary of what apartment and EG co-op living is all about. Please take time to read it carefully, as it's an integral and binding part of Eastern Gardens Governing Documents. When you sign your Subscription and Occupancy Agreement, you will be confirming that you understand and agree to all the terms and conditions for living and being a member of Eastern Gardens Cooperative.

Please feel free to contact the Community Manager, Ms. Theresa Williams at the business office between the hours of 10am-5pm M-F, (916) 489-1604 or eastern.gardens@fpimgt.com call if you have questions or concerns, we are here to assist you.

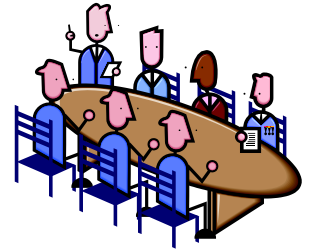
For your personalized access ID and password to the EG Member's website please contact management. For after hour building emergencies please call (916) 271-8649. Again, welcome to Eastern Gardens Cooperative.

*Sincerely,
Eastern Gardens Cooperative, Inc.
Board of Directors*

EASTERN GARDENS STANDARD COOPERATIVE PRACTICES

Members of Eastern Gardens Cooperative agree that it is cooperative housing associations are most successful when operated in accordance with specific recommended practices, in addition to the general cooperative principles.

Eastern Gardens Board of Directors keeps its members informed of all its actions. A frequent newsletter, information bulletins, special meetings, solicitation of members for opinions and priorities. The Board depends upon the two-way nature of communication to guide them in all decision making.



The cooperative maintains an adequate financial reserve to protect the co-op and its member's interests. This includes a general operating reserve and a reserve for replacing components for buildings as they deteriorate. Such reserves reduce the possibility of members having to pay unexpected special charges or assessments in emergencies.

Besides regular monthly financials made available to the membership, there is also an annual audit which is conducted by professional outside accountants and made available to all members.

To protect the interest of the membership, the cooperative board has the right to approve or disapprove incoming members who take the place of those leaving the co-op. Credit and background checks and an interview with the Board is required. This process also helps orient the incoming member to their rights and responsibilities as cooperative members.

WHAT IS EASTERN GARDENS COOPERATIVE



History - Eastern Gardens is a **Not-For-Profit** Corporation, (i.e., no dividends, interest earned or income is distributed to its directors, officers or shareholders in accordance with its Articles of Incorporation. Because we do not meet the IRS criteria, (e.g. churches, schools, charities, museums, hospitals, volunteer organizations, home-less shelters and civic associations). Nonprofit corporations are formed to carry out a charitable, educational, religious, literary, or scientific purpose, therefore, Eastern Gardens is taxed accordingly. In other words our carry charges are closely linked with the operational expenses.

In addition, Eastern Gardens also pays for real estate taxes. Taxes are assessed on the cooperative corporation, which is the owner of the property. Among other expenses, your monthly payments to the co-op are, in part, is used by the co-op to pay the real estate taxes. Even though you don't individually pay real estate taxes directly, federal tax laws allow you to deduct your share (Pro-Rata Share) of the co-op tax payments, as well as the mortgage interest payments, on your personal income tax return.

Pro-rata share statements are provided to each EG member when they become available, usually in February or early March and are based upon your unit size (1 or 2 bdrm). Eastern Gardens is project based and participates in HUD's Housing Assistance Program (HAP) commonly referred to as "Section 8". During the formation and in-fancy stages of Eastern Gardens, HUD allocated 40 Section 8 slots, (i.e. positions available for members to apply for Section 8). As project based, persons transferring to other properties will be required to apply for the Voucher System which is still Section 8 but is portable within the continental U.S. This means you will not be able to stay on Eastern Gardens project based Section 8 program, further details of the program can be provided to you by management at the business office.

The Property - Eastern Gardens Cooperative, Inc. consists of 112 units in seven buildings situated on approximately five acres of land located in the county of Sacramento, California, Arden Arcade District. Eastern Gardens Cooperative, Inc. specific and primary purpose, as well as the general purposes for which it was formed, is an apartment housing cooperative, referred to in the Davis-Sterling Act of 1986, as a "Common Interest Development", (CID). Its purpose is to provide affordable housing for low and moderate income families on a Cooperative basis for the mutual benefit of its resident members per the Articles of Incorporation dated November 29, 1971 and recorded with the Secretary of State in the State of California.

In addition to EG's governing documents, such as its, Bylaws, Occupancy Agreement, Rules and Regulations, Eastern Gardens (EG) is required to comply with the other agencies, such as, the Davis-Sterling Act, California Corporations Code, Health & Safety Code, Civil Code, Fair Housing, local Building and Fire Codes, just to name a few.

Nature of the Project

Eastern Gardens is described as a Stock/ Share Cooperative, which an individual purchases a share in the corporation, (a.k.a. membership fee), and becomes a member share-holder in the Corporation. The Corporation holds title to the buildings in which the residential units are located. Through his/her share, the individual is a part owner of the assets of the Corporation and subject to the Corporation's liabilities, to the extent of their investment and working capital only, the individual purchaser does not receive title to an individual apartment unit.

They receive an appurtenant to this share, a Certificate of Membership, an exclusive right to occupy a selected apartment unit in accordance with the terms of the Occupancy Agreement and the Corporation's governing documents. In terms of percentage, EG has 112 apartment units each member has an average .893% share of interest (ownership) within the Corporation.

ECONOMIC ADVANTAGES - Elimination of outside Landlord: Co-ops offer control of one's living environment and a security of tenure not available in rental housing. There is no landlord profit or re-turn to investors built into the monthly charges that you pay.

Reasonable Monthly Charges: Members have no reason to increase their monthly charges unless taxes or operating costs go up or they decide to undertake some new projects or service programs. Many studies have shown that co-ops control their operating and maintenance costs better and more efficiently than do owners of comparable rental properties.



Tax Deductions: For income tax purpose, most cooperative members are considered “homeowners” and, as such, are eligible to deduct a share of the real estate taxes and mortgage interest paid by the co-op.

Equity: Some Co-ops can provide for accumulation of individual member equity. In “market rate” co-ops, members can sell their shares for what the market will bear. In “limited-equity” co-ops, which usually are receiving special financing or other government benefits, there may be limitations on the share price that outgoing members may receive and/or limitations on income levels when the membership is purchased; the limitations as-sure continuing affordability of the co-ops membership for new members.

Limited Liability: Cooperative members have no personal liability for mortgage loans on cooperative owned property. The cooperative corporation is responsible for paying off any such mortgage loans. This can often make it possible for persons whose in-come might not qualify them for an individual mortgage to buy a membership in a limited-equity co-op. In the case of Eastern Gardens, we apply a membership fee in accordance with our governing documents.

Consumer Action: Through their cooperative association, members can jointly exert influence in order to change tax rates and utility prices and obtain improved services from local governments. The co-op, as a consumer advocate, can also join with other organizations.

Cooperative Ownership Savings: Cooperative members can benefit from economy of scale in cooperative operating costs as well as from the co-op’s not-for-profit operation. Also, when there are “transfers,” only the out-going member’s equity must be paid by the in-coming member. In most states, transfers of co-operative ownership shares are not subject to the high settlement costs involved in the sale of individually owned houses and condos.

SOCIAL ADVANTAGES - Community Control: As mutual owners, member-residents can participate at various levels in governing their co-ops. Members elect their own board of directors. The cooperative board sets rules and regulations governing the cooperative community. Most housing co-ops have the right to approve new members and to restrict subletting and absentee ownership.

Community Stability: Members own the co-op together and have the security of being able to remain in their homes for as long as they wish, as long as they meet their monthly obligations and abide by their co-op’s bylaws, rules and regulations.

Cultural Diversity: Many cooperative members enjoy the possibility for interaction with people from different backgrounds, cultures, and income levels. The cooperative principle of open occupancy is often a positive factor in their decision to become members.

PHYSICAL BENEFITS - Shared Maintenance Responsibilities: Cooperative members usually have limited direct maintenance responsibilities. The cooperative association is responsible for major repairs, insurance, replacement of worn out equipment, and upkeep of common grounds and facilities.

Community Awareness: Cooperative homeowners vigorously protect their homes and their co-op’s property. Compared with rental properties, co-ops have reduced vandalism and abuse of property and have better community awareness.

UTILITIES & SERVICES

ELECTRICITY



It will be necessary for you to call SMUD to set up your electricity services.

For SMUD residential service number (English)----- 1-800-742-SMUD (7683)

For SMUD residential service number (Española)----- 1-866-651-4420

SMUD website got to: www.smud.org

SMUD's regular business hours are as follows:

Customer phone service - Mon. - Fri., 7 a.m. to 7 p.m.

Customer lobby service (6301 S Street) - Mon. - Fri., 8 a.m. to 6 p.m.

Business offices - Mon. - Fri., 8 a.m. to 5 p.m.

TELEPHONE SERVICE's & REPAIRS

It will be necessary for you to call set up your own phone service. There are many to choose from the most used is AT&T.

AT&T phone service number (English)-----1-800-288-2020

AT&T phone service number (Español)-----1-800-870-5855

Website: www.att.com



Eastern Gardens covers the expense on inside repairs for one telephone line which is the wall jack located adjacent to the kitchen countertop and dining area. Repairs for additional wall jacks installed will be the responsibility of each member regardless of location. Financial responsibilities for all telephone service usage and instruments are the responsibility of each member. All outside repairs, up-to the exterior of the building, and/or the demarcation cabinet, is the responsibility of the telephone company.

CABLE & DISH SATELIITE SERVICE

It will be necessary for you to call set up your own media service. There are two to choose from, Comcast Cable and Sacramento Valley Satellite (DISH).

Comcast Cable phone service number -----1-800-934-6489

Comcast Cable Website: www.comcast.com



Sacramento Valley Satellite (DISH) Sales -----(916) 782-4085

Tech Support -----(503) 997-9723



Eastern Gardens Cooperative, Incorporated is best served by establishing a service agreement with a Cable and Dish Satellite provider. Eastern Gardens has established such an agreement with Comcast Cable Company and Sacramento Valley Satellite Dish and has granted them access for delivery of cable and dish satellite services to the premises. All maintenance services will be maintained by Comcast Cable Company and Sacramento Valley Satellite. The terms, conditions, charges and fees for the services provided to each resident member at the premises shall be contained in contracts between Comcast Cable Company, Sacramento Valley Satellite Company and the individual resident member. The owner (Eastern Gardens Cooperative, Inc.) assumes no liability or responsibility for service charges contracted by resident members. All billing and collections from resident members will be the responsibility of Comcast Cable Company and Sacramento Valley Satellite Company.

GENERAL

A. Electricity and Natural Gas

All common area metered buildings and structures owned and operated by Eastern Gardens Cooperative, Inc. purchase its electricity and natural gas from the Pacific Gas & Electric (PG&E) Company and the Sacramento Municipal Utility District (SMUD).

NOTE: Financial responsibilities for electrical usage by individual dwelling units are billed according to the occupant’s usage and not to the Corporation.



B. Water

All metered buildings and structures owned and operated by Eastern Gardens Cooperative, Inc. purchase water from the Sacramento Suburban Water District. The Corporation covers all financial responsibilities for this usage including individual dwelling units.



C. Refuse and Recycling

All refuse areas owned and operated by Eastern Gardens Cooperative, Inc. which purchases services from BFI. The Corporation covers all financial responsibilities for this service. The following common areas, such as buildings and grounds, are the financial responsibility of Eastern Gardens Cooperative, Inc.



EMERGENCY PHONE NUMBERS

MEDICAL-----911
CRIME-----911
(Non-Emergency) Sacramento County Sheriffs Dept.-----(916) 874-5115

AFTER HOUR BUILDING EMERGENCIES -----(916) 271-8649
ROUTINE TROUBLE CALLS/MAINTENANCE -----(916) 489-1604
(Normal Business Hours Mon-Fri 8am-5pm)

EG website is: www.easterngardenscoop.org

AN EMERGENCY IS A PERSONAL SITUATION THAT THREATENS HUMAN LIFE OR PERSONAL PROPERTY AND DEMANDS IMMEDIATE ATTENTION, I.E. MEDICAL, BURGLARY, FIRE, THEFT & ASSAULT — DIAL 911

MAINTENANCE REQUESTS



Reporting Trouble Calls

Eastern Gardens has established procedures when it becomes necessary for you to report building discrepancies, either in person, by phone or by using EG's website whichever way you choose, please remember these things to do.

- Give your name and apartment number
- The problem or discrepancy you are experiencing
- Emergency or non-emergency
- A call back number, and
- **Permission to enter** if you're not going to be there

The following are examples of EMERGENCY BUILDING MAINTENANCE requests.

- Flooding
- Sewage overflow
- Power outage
- No water
- Refrigerator not working
- Fire Life Safety
- No heat and the outside temperature is lower than 65 degrees
- No AC and the outside temperature is higher than 100 degrees

You can contact us at the business office @ 489-1604, if there is no answer please leave a voice message as instructed on the recorder. And remember to please be nice. Every call will be treated in the order of importance. For all other questions or concerns not related to maintenance or repairs, (i.e., policies, rules, regulations, and bylaws...etc.), please submit a letter to the board of directors.

NOTE: In management's absence, whether out sick or on vacation the following procedures will apply:

- **Building Emergencies** – Work required is to ensure the safety of personnel and to prevent structural damage, such as, water breaks or electrical hazards, which requires an immediate response, please contact our maintenance technician, Mr. Kurt Whisenhunt @ (916) 768-7295
- **Non-Building Emergencies** - Routine work that can wait more than 24-48 hours which can be scheduled at your earliest convenience. This includes routine repairs, preventative maintenance or modification work, please call (916) 489-1604, the messages are checked daily by maintenance and/or management staff.
- **Personal Emergencies** - Is a Personal Situation that threatens human life or personal property and demands immediate attention, such as, Medical, Burglary, Fire, Theft and Assault – **DIAL 911**
- **Non-Personal Emergencies** – Personal situations that are not life threatening, please contact the Sacramento County Sheriff's Department's non-emergency number @ (916) 874-5115

Safety is extremely important to us and will always receive first priority.



FIRE & LIFE SAFETY INSPECTIONS



Inspections you can expect on an annual bases:

- **REAC** - Real Estate Assessment Center. Who are they? REAC is another contracted division within HUD that handles on-site physical inspections for all HUD-affiliated properties, which includes Eastern Gardens. HUD is continuing to place stricter rules and compliance issues on properties that participate in their programs or those that are insured by them. New items that the inspectors will be looking at within the apartment units to see if they are working properly, will be, windows, doors, exhaust fans, to name a few.
- **Annual In-House Inspection** – Prior to the REAC inspection, management conducts an annual in-house inspection. **Please Note:** Because of the additional requirements placed on us by REAC and to ensure that EG receives a passing grade with no discrepancies, management will extend its inspection to include the same items that REAC will be inspecting, for example, each room will be inspected to see if windows open and close properly, entry and closet doors swing and latch properly, bathroom and kitchen exhaust fans are working properly...etc.).
- **CAHI** – California Affordable Housing Initiative. Is the company HUD contracted with to perform all of its reviews and is designed to assess Owner/Agent performance in key property management areas, and compliance with the terms of the controlling documents (e.g., HAP Contract, Management Plan) and HUD directives, specifically those that are on the Section “8” program.
- **County Inspections** – Fire and pool. This includes all fire, building, ADA, health and safety code requirements, for example, fire extinguishers, pool and proper venting in the laundry rooms.
- **Property Insurance Carrier** – Safety compliance on the outside areas of the complex, for example, painted steps, grease in carports areas and any trip hazards on the walkways.



INDOOR MILDEW



Humidity inside buildings can sometimes be too high for good health and comfort. You may see vapor condensing on cold surfaces (e.g., on mirrors and windows). High humidity encourages the growth of mildew. To help control humidity in your apartment:



Be sure to keep your apartment well ventilated. Allow fresh air to circulate as often as possible.



Run exhaust fans during and after bathing. Take shorter showers. Keep the toilet lid closed.



Reduce moisture-causing activities. Choose house plants that don't require a lot of water.



Use the microwave and counter top ovens instead of the stove.



Reduce absorbent items in your home (e.g., avoid over-stuffed furniture and heavy drapes; the less carpet the better).



ALTERATIONS TO YOUR APARTMENT

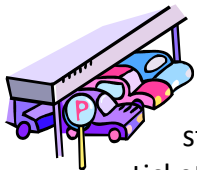
While improving your apartment is an added comfort, please keep in mind the following: All alterations, additions and improvements are only for the inside of your apartment unit and require written consent/approval from the Board of Directors. This includes structural changes to the plumbing, electrical, or other fixtures whether removing or installing within the apartment unit, (e.g. doors, cabinets, affixed window coverings), draperies & painting excluded. Before any alterations/additions are to begin the board of directors must receive your letter of request outlining the scope of work desired; a copy of your contractor's certificate of insurance, license and bond. Upon the boards review, you will receive a letter of approval or disapproval prior to any commencement of work. Any damage to your apartment unit, your neighbors units or the common area as a result of work performed without proper approval, insurance or appropriate permits may void the corporation's insurance policy covering the claim. Any increase in the corporation's insurance premium, fire, water or other structural damage as a result of individual improvements that have not received written consent by the board will be borne by the member/shareholder. In addition, the member/shareholder can be subject to expulsion and removal from the property.

LAUNDRY ROOMS



Eastern Gardens does not have any rules governing the laundry rooms, (e.g. how many washers or dryers is one allowed to use at any given time or how long should other members wait before removing someone else's clothes from the machines when they're not around). Should you find yourself waiting for someone to return and remove their clothes from the machines when the cycle is complete, please feel comfortable to remove them yourself; just make sure that you place them all on the table. This is an unwritten policy, but if you're not comfortable with that you may choose to submit a letter to the board with your concerns on this issue. Please remember to exercise laundry room courtesy, i.e., don't leave the rooms without cleaning them up, clean out the lint traps after your use, don't leave or put clothes out on the tables or dishes, nick-knacks and other items thinking someone could use them, and always remember to secure the doors and windows after use, especially at night

PARKING REMINDERS



Members, please be courteous to your neighbors; have your guests park their vehicles in Visitor Spaces or any unmarked, uncovered parking stall. VEHICLE REGISTRATION: All vehicles on the premises must be currently registered and properly insured according to state law. Any vehicles on the premises without a current license tag (sticker) will be ticketed with a 96 hour warning notice. If not addressed with Management and duly resolved, the vehicle will be towed away at the owner's expense.

DOORS & LOCKS

If a screen door is installed on a dwelling unit, it must be maintained in an operable condition and good appearance. It must be black, dark brown, gold or aluminum. A screen door may be removed when a member vacates the unit. If any locks are changed or added (including screen door locks), Eastern Gardens Management must be notified and provided with keys.



- a) LOCK OUTS: Members and member's guest(s) locked out after office hours will be required to call a locksmith at member's expense to open their doors.
Please note: Proper identification will be required by the locksmith (such as driver's license).
- b) LOST KEYS: Lost keys or replacement of keys to member's dwelling unit will be replaced at current market rate per key at member's expense.

EASTERN GARDENS WEBSITE



Eastern Gardens has finally moved into the 21st century. On February 22, 2012, your Board approved for EG to have its own website. Since its approval, the purchasing and constructing of our website has been underway and now it's time to release it

to you for your use and critique.

It will now be much easier and more convenient, for the membership, that is, for those who have PC's and internet access to view all of Eastern Gardens governing documents, such as, bylaws, occupancy agreement, rules and policies, agendas, minutes, newsletters and correspondences and even place your trouble calls and reserve the clubhouse.

Listed below is a brief summary of the many advantages that the membership and EG will have:

- Easy access and password protected for the membership to view our governing documents, past agendas and minutes, newsletters, announcements...Etc.
- Each member will have their own "User Name" and "Password". This is so you, and only you, will be able to access the "Members Section".

Here's how it works. Each member will be assigned a user name and password whether you have a PC or not, it's yours to keep. It's very simple, on your browser's navigation toolbar, type in <http://www.easterngardenscoop.org/> this should bring you to our website, save it or bookmark this for later, then type in your User Name and Password that has been given to you. Please Note: The password can be changed by you at any given time so only you will know it, just click on "Lost Your Password", and it will take you the Word Press screen follow the directions which you will then be asked to type in a new password. No one else will know your new password including the website administrators, so you can change your password as often and as many times that you like.

By logging in you will have access to the "Members Section" which has a pop-down menu screen; just click any of the categories and you will be able to read and print out any of the documents which are all in PDF, that is, short for *Portable Document Format*, a file format developed by Adobe Systems. PDF captures formatting information from a variety of desktop publishing applications, making it possible to send formatted documents and have them appear on the recipient's monitor or printer as they were intended. With the exception of reporting trouble calls and reserving the clubhouse, to view a file in PDF format, you need Adobe Reader. If you do not have Adobe Reader a free application distributed by Adobe Systems can be obtained at, (<https://www.download-free.com/pdf-reader>).

If you have any questions or problems with the website, don't hesitate to contact the Board or management. If you are unable to access EG's website you can email management at eastern.gardens@fpimgt.com using your own email provider, management will still be able to forward your questions and problems onto the Board which we will respond back to you as-soon-as-possible.

Your personnel user name and password are as follows:

- User Name: _____
- Password: _____