

MEMBER SELECTION CRITERIA
HIGHLANDS COOPERATIVE



A fee approved by the Board of Directors will be charged to process applications.

The selection criteria is for:

- new applicant(s)
- current Member(s) purchasing a new Membership
- current Members wishing to add adult persons to their household.

Employees and agents will provide equal and fair treatment to all persons regardless of race, color, creed, religion, familiar status, age, sex, handicap, national origin or other protected classes.

TYPE OF COOPERATIVE

Modified moderate income

AVAILABILITY OF PLAN

This Member Selection Criteria is available to the public upon request. It will be posted in a common area of the site rental office it may be reviewed during normal office hours.

SCREENING CRITERION

The following areas will be checked to determine the applicant's eligibility for Membership; this includes all adults in the household. Note: If the applicant initially meets all criterions but at the time of the Membership sale does not meet the criterion, the applicant shall be rejected:

- Disclosure of all household social security numbers
- Minimum household income
- Credit history (by scoring system)
- Criminal conviction history (by Crimsafe)
- Household size
- Landlord references
- Landlord/tenant court history
- Federal and state requirements, if any
- Misinformation/fraud
- After move-in: adding a Co-Member will require all of the above; if adding to household only, the criminal conviction history and household income shall be checked.

APPLICANT

The applicant shall 1) be 18 years or older and 2) provide documentation of age for each household member i.e. birth certificates, baptismal certificate, military discharge certificate, valid passport, census document showing age, naturalization certificate, or social security benefits printout.

Accommodations: Applicants can submit applications by mail, fax or in-person. If an applicant(s) need further assistance or reasonable accommodations Highlands Cooperative will provide any reasonable request to assistance in the application process. Example, but not limited to: verbal submission through staff, translator (by availability) or TDD.

Privacy Policy

PERSONAL INFORMATION

It is the policy of the property to guard the privacy of individuals conferred by the Federal Privacy Act of 1974, and to ensure the protection of such individuals' records maintained by the property. Management has established safeguards to deter any of its agents or employees from disclosing or inappropriately inspecting such documents.

PRIVACY ACT 5 U.S.C 552a –Key Statutory Provisions

Management, in compliance with the Privacy Act, is fulfilling its fiduciary responsibility by providing the following:

WRITTEN CONSENT

Unless required by Federal or state law, neither the property nor its agents shall disclose any personal information contained in its records to any person or agency unless the individual about whom information is requested shall give written consent to such disclosure.

VERIFICATION OF INCOME

At the time of application and on an annual basis, Members are required to provide documentation confirming the household income (18-years and older) and the number of occupants living in the townhouse. Information that is required includes but not limited to the following: names, birth date, social security numbers (of 18 years and older), relationship, and documents verifying household income for all household members 18 years of age and older. All information provided is confidential and will be handled accordingly.

APPLICATION REJECTION

If you are not satisfied with the decision to deny your application, you may request a hearing; this request must be made in writing within fourteen (14) days of the mailing of this notice to **Unified Property Group at 2200 Genoa Business Park Dr., Suite 100,**

Brighton Michigan 48114. The request should include 1) why you feel the results of the denial should be overturned 2) include all documentation backup and 3) a copy of the free credit report that can be obtained from **Core Logic Safe Rent Attn: Consumer Relations Department, 7300 Westmore Rd, Suite 3, Rockville Maryland 20850-5223. By phone: (888)333-2413.** It is the policy of Unified Property Group that all disputed rejections will be reviewed along with all old and new information provided by the applicant(s) and any outside sources by the Corporate Support Specialist. A recommendation will then be made to the corporate divisional Vice President for final decision. If a prior determination is reversed in the applicants favor, a letter of such action will be issued from the corporate office with a Vice President's approval and filed in the applicant folder.

APPLICATION/WAITING LIST PROCEDURE

If an applicant is initially classified as eligible, they will be placed on the waiting list. All approved applicants are notified of Memberships for sale for the specified bedroom size they have been qualified for. **Exception:** If the outgoing Member finds/refers an applicant that is approved through the selection criterion process, that applicant takes priority over the existing waiting list. If the applicant requests how "long" the waiting list is, the applicant will only be advised as to the number of applications on the specified bedroom size they have applied for. All contact with applicants will be noted in their file i.e. phone call, e-mail, letters, etc. each contact will note date and reason for contact.

The application will remain active on the waiting list for one year, however, the application information may only be valid for six (6) months; to be approved to purchase a Membership, all information may need to be re-verified.

If the applicant has not made a Membership sales agreement with an outgoing Member within one-year, the initial application will be voided and removed from the waiting list unless the applicant consents to having all information re-verified at the application fee amount.

All applications will be retained for 3-years after being placed in the inactive status. After this specified time all documents can be destroyed.

MEMBERSHIP FOR SALE TIME LIMITATION

A Member who has followed the withdrawal procedure and who has been placed on the Membership for sale list may remain on the list for one year. At the end of one year, if the Member desires to remain on the sales list, the Member must once again go through the withdrawal process that is in place.

TRANSFERS

There are no transfers of Memberships. If a Member desires a different size townhouse, they must sell their current Membership and purchase a Membership from an outgoing

Member. Transferring Member must meet all qualifying criterion in this document excluding the credit check.

PREFERENCE

Preference will be given to full time fully sworn police officers within Ingham County and Michigan State Police officers.

SCREENING CRITERION

1. Social Security Number Disclosure: Applicant must provide documentation of social security number for all household members.
2. Proof of identity: all applicants eighteen (18) years or older must provide documentation of their identity in the form of an official picture ID such as a drivers license, State ID, local school ID, etc.
3. Minimum/Maximum Income Limits: Minimum and maximum income limits are determined by the Board of Directors. If the applicant is above the maximum income, upon moving into the Cooperative, the monthly payment will be the monthly carrying charge plus the surcharge amount as set by policy.
4. Household Size: To provide safe/sanitary conditions, minimum and maximum household size is set as follows:

Townhouses size	Minimum # of persons	Maximum # of persons
One (1) Bedroom	1	2
Two (2) Bedroom	2	4
Three (3) Bedroom	3	6

Applicant's household size must fall within the above limitations to determine which size townhouse they are eligible to apply for. Note: unborn children, foster children, children in the process of being adopted, live in care attendant, and temporary absent family members are included as household members.

Federal, State, and City laws prohibit discrimination on the basis of sex or age of household member.

Exception: If there are no one bedroom memberships for sale, the minimum household size requirements for a two bedroom townhouse can be waived, if the outgoing Member complies with the following: 1) if the Membership has been on the market for at least 60- days 2) if the Member can verify they have made attempts to sell the Membership through advertisement, sent applicants to the office, distributed fliers, etc.

No other minimum occupancy waiver is permitted. The maximum household requirement will not be waived for any townhouse.

5. **Credit History/Scoring System:** The scoring system is provided by CoreLogic Safe Rent. The scoring system measures risk and is an objective and consistent way of reviewing information. The scoring system assigns points to certain factors identified as having a statistical correlation to future financial monthly carrying charge payment performance. The score results from mathematical analysis of information found in the credit report, application information, and previous rental history information. Such information may include bill paying history, the number and type of accounts/bills, collection actions, outstanding debt, income and number of inquiries in your consumer report, etc. The final score represents a level of risk as compared to the performance of other consumers in a range of scores. Medical collections and bankruptcy are scored on a reduced scale and impacts the results on a lower level to less impact the total results in the score calculations. The scoring treats all applicants consistently and impartially. Your score never uses certain characteristics such as race, color, sex, familial status, handicap, national origin or religion.

Decisions are based upon how much risk the cooperative is prepared to accept. The score is not disclosed to the Cooperative; they receive an "Accept" or "Deny" from CoreLogic-Safe Rent.

Exception: The following is not a cause for rejection: 1) no credit and 2) less than 3-years of credit as long as all recorded credit is positive

6. **Landlord References:** Previous landlords will be contacted regarding the applicant's previous residency. Applicants with unfavorable reference in the last seven (7) years will be rejected. An unfavorable reference includes: 1) unsanitary or hazardous housekeeping 2) disruptive or dangerous behavior including disturbances of neighbors; destruction of property or criminal activity 3) court action for noncompliance with rental/occupancy agreements including non-payment actions 4) three or more legal notices for non-payment of rent during any twelve month period 5) outstanding balances due to previous and or current landlord 6) eviction or legal action taken to evict by previous and or current landlord.

If no previous independent landlord reference is available for the allowed period of time, references going back an additional eight (8) years may be checked.

7. **Criminal Convictions:** The CrimSafe screening is used and is provided by Core Logic Safe Rent to measure the relative risk of Membership. The CrimSafe system is an objective and consistent way of reviewing relevant applicant information. Because the decision is based on real data and statistics, it is more reliable than subjective methods of evaluating information. Core Logic CrimSafe treats all applicants consistently and impartially. CrimSafe never uses certain characteristics such as race, color, sex, familial status, handicap, national origin, or religion. Decisions are based upon how much risk the Cooperative is prepared to accept. The criminal

conviction history is not disclosed to the Cooperative; the Cooperative receives an "accept" or "deny" decision from Core Logic Safe Rent. Note: except where stated, the Cooperative will rely on the preponderance of evidence not a reasonable cause or conviction.

REASONABLE ACCOMMODATIONS

Under the Fair Housing Amendments Act of 1988, a person with disabilities has the right to make reasonable accommodations to any part of the townhouse or the related common areas at their expense. When a Member requests an accessible feature(s), policy modification, or other reasonable accommodation to accommodate a disability, the Cooperative will comply with Section 504 of the Rehabilitation Act of 1973 and provide the requested accommodation unless doing so would result in a fundamental alteration in the nature of the property. A written request must be made to management for approval/denial. If a Member modifies the townhouse at their own expense, the Cooperative may require the Member to restore the townhouse to the state that existed before the modification in accordance with the Fair Housing Act.

MISINFORMATION/FRAUD

The applicant will be rejected if it is determined that they misled, misinformed, misrepresented or committed fraud in completing the application, associated documents or the application process.

Approved by the Board of Directors on 8-15-11.

Larry Lyon, agent 8-24-11
Regional Property Manager, Larry Lyon Date

Kath [Signature] 8-24-11
President, Unified Management Services Date



Criminal setting displayed on next page.

Criminal Acceptance Decisions				
Categories	Felony Convictions Only (0-99 years)	Other Felony Charges (0-7 years)	Other Convictions (0-99 years)	Other Criminal Charges (0-7 years)
ALL CATEGORIES				
CRIMES AGAINST PERSONS				
ASSAULT RELATED OFFENSES	25	0	25	0
FAMILY RELATED OFFENSES, NONVIOLENT	10	0	3	0
HOMICIDE RELATED OFFENSES	99	0	99	0
KIDNAPING/ABDUCTION RELATED OFFENSES	99	0	99	0
SEX RELATED OFFENSES, FORCIBLE	99	0	99	0
SEX RELATED OFFENSES, NONFORCIBLE	99	0	99	0
ALL OTHER PERSON RELATED OFFENSES	10	0	10	0
CRIMES AGAINST PROPERTY				
ARSON RELATED OFFENSES	99	0	99	0
BAD CHECKS RELATED OFFENSES	10	0	2	0
BURGLARY/BREAKING AND ENTERING RELATED OFFENSES	99	0	99	0
MOTOR VEHICLE THEFT RELATED OFFENSES	10	0	10	0
COUNTERFEITING/FORGERY RELATED OFFENSES	10	0	10	0
EMBEZZLEMENT/BRIBERY RELATED OFFENSES	10	0	10	0
EXTORTION/BLACKMAIL RELATED OFFENSES	10	0	10	0
FRAUD RELATED OFFENSES	10	0	10	0
ROBBERY RELATED OFFENSES	25	0	25	0
STOLEN PROPERTY RELATED OFFENSES	10	0	10	0
LARCENY/THEFT RELATED OFFENSES	15	0	10	0
DESTRUCTION / DAMAGE / VANDALISM OF PROPERTY OFFENSES	10	0	10	0
ALL OTHER PROPERTY RELATED OFFENSES	10	0	10	0
CRIMES AGAINST SOCIETY				
PURPOSELY OBSTRUCTS, IMPAIRS OR PERVERTS THE LAW	10	0	5	0
DISORDERLY CONDUCT RELATED OFFENSES	6	0	2	0
DRUG/NARCOTIC RELATED OFFENSES	99	0	10	0
DRUNKENNESS RELATED OFFENSES	5	0	2	0
DRIVING UNDER THE INFLUENCE RELATED OFFENSES	3	0	3	0
LIQUOR LAW RELATED OFFENSES	5	0	5	0
PORNOGRAPHY/OBSCENE MATERIAL RELATED OFFENSES	99	0	99	0
PROSTITUTION RELATED OFFENSES	99	0	99	0
SEX OFFENDER REGISTRANT	99	0	99	0
TRAFFIC VIOLATIONS WHILE OPERATING A MOTOR VEHICLE	5	0	0	0
TRESPASS OF REAL PROPERTY RELATED OFFENSES	10	0	2	0
WEAPONS LAW RELATED OFFENSES	15	0	15	0
DRUG/NARCOTIC RELATED OFFENSES, INVOLVE SALE OR MFG	99	0	99	0
PEEPING TOM RELATED OFFENSES	99	0	99	0
ALL OTHERS SOCIETY RELATED OFFENSES	10	0	2	0