

COMPARE THE ADVANTAGES

	COOPERATIVE PLAN	RENTING	OWNERSHIP
Monthly Plan	Your monthly payments are amazingly low. You pay only actual costs.	The tenant must pay what the landlord asks.	The Owner's monthly expenses are much higher.
Total Cost	Your costs are cut to the bone: longest mortgage terms, special low interest rate, controlled builder fee, no closing cost or broker fees.	The tenant's rent includes high cost of commercial construction and financing.	The owner pays for higher mortgage interest rates, uncontrolled profits, closing costs.
Ownership	You and other townhouse residents are the sole owners of the property. You occupy the home for as long as you wish.	The tenant owns nothing (except a file of rent receipts).	The owner is completely responsible for his house.
Mortgage Liability	You have no personal mortgage liability – you sign no mortgage or note.	The tenant has no personal liability.	The owner is personally liable for the mortgage and note.
Maintenance	You cooperative maintains your townhouse inside and out. (except redecorating)	The tenant has no control over maintenance standards.	The owner is fully responsible for all repairs.
Management	Your household and every other household each have one vote in election of directors. Business affairs are handled by a professional management firm.	The tenant has no voice whatever in management.	The owner alone is responsible for all decisions and mistakes!
Community Control	You help establish policy, rules and standards for your community.	The tenant has no control.	The owner has no jurisdiction except in court.
If you Have To Move	You give notice and your cooperative will help you sell your membership. There are charges associated with rehab expenses.	The tenant is bound by a lease drawn up by the landlord.	The owner must sell his house and pay brokerage fees and selling fees.
Increase In Value	Your membership can increase in value under a formula written into your co-op By-Laws. You can get credit for improvements.	The tenant gains no increase in value.	The owner's equity in his house depends on market factors beyond his control.
Tax Benefit	You can deduct from your income taxes amounts paid for mortgage interest and real-estate taxes. (Talk to your tax advisor for details)	The tenant has little or no tax benefit.	You can deduct from your income taxes amounts paid for mortgage interest and real-estate taxes.
Replacements	Your co-op has reserve funds available for large replacement items like roofs and appliances.	The tenant must wait for the landlord to decide when and if replacements will be made.	The owner is responsible for all replacement costs.