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You are becoming an Owner (aka Member) of EB PREC! How exciting!

Here are the important things you should know:

1. By joining, **you affirm your alignment with our Mission and Points of Unity** in the Bylaws.
2. EB PREC is a California **Cooperative Corporation**.
3. Please review our easy-to-read cartoon **Bylaws** and **Articles of Incorporation** (www.ebprec.org/documents). They explain your ownership rights, voting power, governance, and other important things.
4. **To remain an Owner** of EB PREC, you must stay current on obligations (like dues, if they apply to you) and other obligations described in our **Bylaws**.
5. Save trees! It's the digital age! By becoming an Owner of EB PREC, **you consent to receiving all notices, ballots, and other communications by email** or other electronic communication. We'll make exceptions and send snail mail if email is a hardship on you and you let us know.
6. **You can't transfer your ownership interest to others**, because it's just for you.
7. **You understand that EB PREC exists to avoid profiting from the speculative market** and that EB PREC refuses to sell its properties on the open market. While it may be tempting to think that EB PREC could sometimes sell a property for a cash windfall, EB PREC exists to permanently protect land from the speculative market. **By joining EB PREC, you agree that – in order to build a more equitable economy, protect land and housing access for all, and combat racialized displacement – it is reasonable to restrain EB PREC's ability to sell properties on the speculative market.**



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8. Let's talk about MONEY! Some key things to know:

- a. **Dividends and patronage refunds are not guaranteed.** Some Owners may receive dividends and patronage refunds, but the details of that are complicated and explained in the **Bylaws**.
- b. **If you bought Investor Owner share(s), you must hold them for at least 5 years and not redeem them during that period.** The Board may make exceptions in cases of financial hardship.
- c. **When you terminate and redeem your ownership.** The **Bylaws** explain the details, but basically, EB PREC aims to pay any dividends or patronage refunds that have been allocated (but not yet paid) to you and to buy back your Investor Owner shares at the amount you paid for them. The details of how Resident Owners redeem their Resident Shares will be defined in each Resident Share Agreement, negotiated separately with each Resident Owner.
- d. **When you redeem your ownership, EB PREC may not be able to pay you immediately.** In that case, you'll get a promissory note saying that we owe it to you and will pay it to you over a period of a year or more. **In other words, think of this as a long-ish term investment and don't invest money that you might need back immediately.**

If you are buying an Investor Owner share, you acknowledge that you are taking the risk that you might not get your money back. We're a new-ish cooperative implementing an innovative model. Investing in new things is awesome, but risky. Let's look at a few "what-ifs:"

- The real estate market is ridiculous and has all kinds of ups and downs.
- Unemployment can put our residents out of work and cause them to miss monthly payments. EB PREC wants to be flexible and support people to keep their housing, but situations like that will obviously put financial strain on EB PREC and our ability to pay back Owners.
- The Cooperative could become unstable if key staff and leaders leave.
- Corporate capitalism could destroy the planet before we get a chance to pay you back. You know....so many uncertainties in life, but we're doing the best we can.

That's it! Yay! Sign and date here to say that you read, understood, and agree to all that stuff above, especially the part about how you are taking a risk!

Name: _____

Signature: _____ Date: _____

