

Housing Cooperatives

Middle Income Ownership. Autonomy. Community.

Hidden options for affordability and community, in plain sight.

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Housing Cooperatives

- Legal Structure – Corporation
- Corporation owns land and building
- Members own shares in Corporation – Shareholder (stock certificate)
- Shareholder gets an exclusive lease for their unit (lease)
- Democratically governed. Self-managed.
- Similar benefits as real estate ownership – tax deductions, long-term financing

Cooperative Housing Numbers

- **Late 1800's : First housing cooperative in NYC**
- Major development of **market rate cooperatives** after WW1. Over 10,000 **limited equity cooperatives** were sponsored by Unions in 1920s.
- **Nationally : More than 1 million units** in New York, Massachusetts, Connecticut, Minnesota, Michigan, Washington DC, Chicago, Atlanta, Miami, San Francisco...
- **Seattle : 1149 units** (financeable/ownership) **in 43 Buildings** in Capitol Hill, Eastlake, Queen Anne, Ravenna, Belltown...

How is it different from a Condo?

- Corporation owns building and land.
- Members own shares of corporation.
- Blanket Mortgage and Share Loans.
- Lower closing costs at purchase.
- Lower property taxes. Not reassessed on sale.
- Corporation can borrow against building for major repairs, replacements instead of individual owner cash assessments.
- Organizing documents can limit equity for deeper long-term affordability, if desired.
- Has the right to approve potential members. Can be designed to appeal to affinity groups.
- Owner-Occupancy Requirement
- Tend to be longer-term residents.
- No speculators, no investor rentals, no fix and flippers
- Shared purchasing..
- De facto non-profit. Operate at cost.
- Community managed/Community focused
- Can swap units.

Seattle's Ownership Cooperative Market

- 27 units historic cooperative units sold in 2018. (2.3%)
- Units ranged from 390 sf to 1000 sf.
- Sale prices ranged from \$199k - \$449k
- 34 Units have sold in the last 180 days between \$170k - \$600k
- 17 Cooperative Units currently on the market in 2019



L'Amourita Cooperative - Eastlake



Park Vista Cooperative - Ravenna

#		MLS	Stat	Type	Address	Area	City	List/Sell \$	CDOM	Bds	Bths	SF	Stat Date
1	 	1411478	S	COND	4725 15th Ave NE #4	710	Seattle	\$170,000	93	0	1	500	06/20/2019
2	 	1382037	S	COND	7 Harrison St #34	700	Seattle	\$210,000	44	0	1	400	03/11/2019
3	 	1397561	S	COND	4725 15th Ave NE #27	710	Seattle	\$210,000	5	0	1	500	02/17/2019
4	 	1399833	S	COND	2905 Franklin Ave E #C	390	Seattle	\$225,000	132	1	1	442	03/06/2019
5	 	1395989	S	COND	756 Broadway E #106	390	Seattle	\$230,000	145	0	1	390	08/05/2019
6	 	1407152	S	COND	515 W Olympic Place #205	700	Seattle	\$236,000	27	0	1	400	04/17/2019
7	 	1434590	S	COND	4725 15th Ave NE #19	710	Seattle	\$250,000	246	1	1	700	05/17/2019
8	 	1417600	S	COND	214 Summit Ave E #205	390	Seattle	\$254,000	32	0	0.75	400	05/01/2019
9	 	1454680	S	COND	22 John St #24	700	Seattle	\$280,000	4	1	1	462	06/28/2019
10	 	1464180	S	COND	22 John St #23	700	Seattle	\$285,000	8	1	1	510	07/04/2019
11	 	1442478	S	COND	220 W Olympic Place #301	700	Seattle	\$285,000	13	1	1	600	06/03/2019
12	 	1432539	S	COND	5810 Cowen Place NE #105	710	Seattle	\$295,000	7	1	1	567	06/06/2019
13	 	1426280	S	COND	606 E Thomas St #APT E	390	Seattle	\$299,000	36	1	0.75	500	05/02/2019
14	 	1396040	S	COND	220 W Olympic Place #208	700	Seattle	\$308,600	29	1	1	560	03/19/2019
15	 	1360233	S	COND	1136 13th Ave #308	390	Seattle	\$310,000	139	1	1	597	03/16/2019
16	 	1451828	S	COND	5810 Cowen Place NE #402	710	Seattle	\$315,000	8	1	0.75	550	07/10/2019
17	 	1435449	S	COND	308 E Republican St #809	390	Seattle	\$319,000	41	1	1	614	06/21/2019
18	 	1389988	S	COND	214 Summit Ave E #407	390	Seattle	\$325,000	155	1	1	628	05/03/2019
19	 	1407490	S	COND	308 E Republican St #705	390	Seattle	\$330,000	6	1	1	751	03/08/2019
20	 	1482133	S	COND	403 16th Ave E #A	390	Seattle	\$354,000	13	1	1	605	08/06/2019
21	 	1454187	S	COND	308 E Republican St #904	390	Seattle	\$359,950	78	1	1	674	06/25/2019
22	 	1407939	S	COND	5810 Cowen Place NE #108	710	Seattle	\$364,000	90	2	1	850	06/14/2019
23	 	1415797	S	COND	1107 E Denny Wy #A-4	390	Seattle	\$365,000	3	1	1	529	04/17/2019
24	 	1444125	S	COND	1732 15th Ave #20	390	Seattle	\$375,000	21	1	1	730	07/02/2019
25	 	1381900	S	COND	500 W Olympic Place #103	700	Seattle	\$379,000	70	1	1	840	02/27/2019
26	 	1402206	S	COND	1605 E Olive St #200	390	Seattle	\$380,000	46	1	1	650	04/12/2019

7 Harrison St #26

\$199,000



MLS #: **1495532** Stat: **A** Area: **700**
 Type: **COND** Bds: CDOM: **17**
 SqFt: **480** Bths: **1** Dues: **\$462**



22 John St #10

\$275,000



MLS #: **1473542** Stat: **A** Area: **700**
 Type: **COND** Bds: **1** CDOM: **54**
 SqFt: **552** Bths: **1** Dues: **\$535**



1302 Queen Anne Ave N #4

\$279,900



MLS #: **1482785** Stat: **A** Area: **700**
 Type: **COND** Bds: **1** CDOM: **44**
 SqFt: **750** Bths: **1** Dues: **\$630**



1623 Taylor Ave N #303

\$284,000



MLS #: **1487604** Stat: **A** Area: **700**
 Type: **COND** Bds: **1** CDOM: **27**
 SqFt: **600** Bths: **.75** Dues: **\$460**



1750 152nd Ave NE #C-206

\$299,950



MLS #: **1470247** Stat: **A** Area: **530**
 Type: **COND** Bds: **2** CDOM: **66**
 SqFt: **1,100** Bths: **1.75** Dues: **\$1,136**



1732 15th Ave #16

\$315,000



MLS #: **1495843** Stat: **A** Area: **390**
 Type: **COND** Bds: CDOM: **18**
 SqFt: **525** Bths: **1** Dues: **\$440**



756 Broadway Ave E #101

\$325,000

5810 Cowen Place NE #306

\$345,000

1107 E Denny Wy #A6

\$350,000



MLS #: 1452485 Stat: A Area: 701
Type: COND Bds: 1 CDOM: 209
SqFt: 700 Bths: 1 Dues: \$385



MLS #: 1401096 Stat: A Area: 710
Type: COND Bds: 2 CDOM: 130
SqFt: 860 Bths: 1 Dues: \$592



MLS #: 1434135 Stat: A Area: 390
Type: COND Bds: 2 CDOM: 128
SqFt: 575 Bths: .75 Dues: \$400



1726 15th Ave #24

\$355,000

408 Bellevue Ave E #201

\$389,900

308 E Republican St #712

\$399,950



MLS #: 1488254 Stat: A Area: 390
Type: COND Bds: 1 CDOM: 31
SqFt: 750 Bths: 1 Dues: \$483



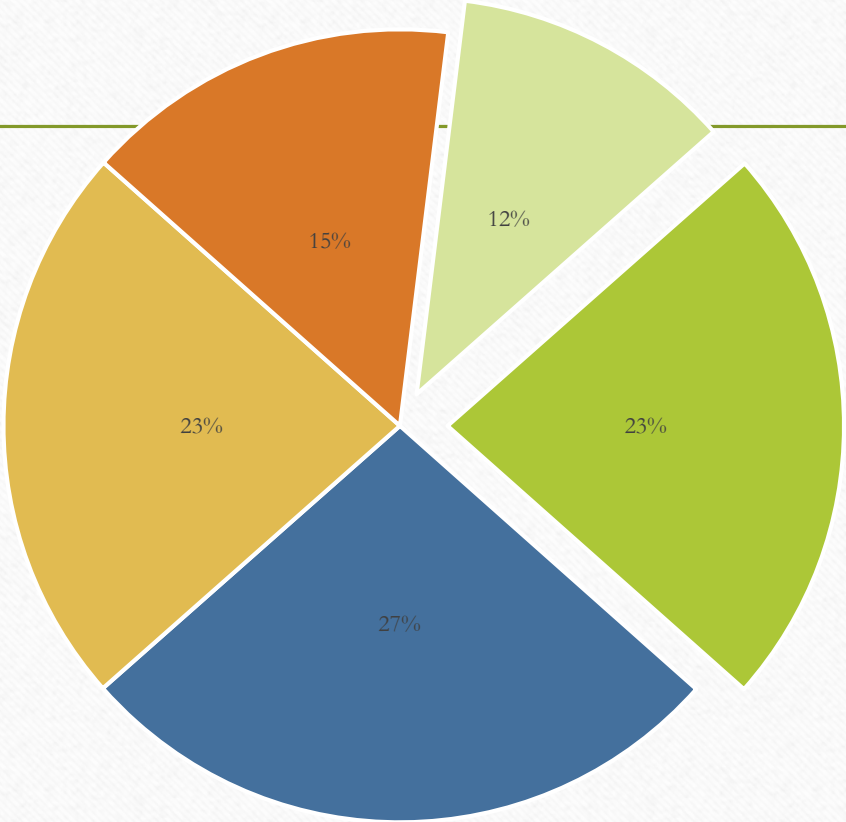
MLS #: 1470456 Stat: A Area: 390
Type: COND Bds: 1 CDOM: 60
SqFt: 700 Bths: 1 Dues: \$675



MLS #: 1502835 Stat: A Area: 390
Type: COND Bds: 1 CDOM: 3
SqFt: 745 Bths: 1 Dues: \$655



Seattle's Historic Housing Cooperative Unit Sales 2018



- <\$250k
- \$250k - \$300k
- \$300k - \$350k
- \$350k - \$400k
- \$400k - \$450k

Additional Benefits

- Used to stabilize gentrifying neighborhoods.
- Naturally occurring retirement communities.
- Intergenerational living. Move units as housing needs change.
- Economic security of ownership at a lower threshold of entry.
- Residents know their neighbors and feel higher level of personal safety.
- Broad social network.

Spurring Cooperative Development

- 1950s: Unsubsidized Federal Mortgage Insurance Program.
- 1960s-70s: Federal Subsidy Program Section 236. Nixon ended subsidy in 1973.
- 1955: NY State Mitchell-Lama Housing Program targeted rental and cooperatively owned affordable housing for middle income residents.
 - Used eminent domain, tax abatements, low-interest mortgages up to 50 years and guaranteed 6% return on investment. Over 105,000 units were built.
 - Affordability restriction was tied to the underlying financing.
- Current: HUD 213 Mortgage Insurance Program.
 - Loan to Value up to 98%. 40 Year Non-Recourse. Construction to Perm.