

MEMBERSHIP:

1. To be a member in the Co-operative an applicant shall fulfil the following conditions of eligibility:
 - (a) A person who has reached the age of 16 years may become a member of the Co-operative.
 - (b) Complete an application form and pay an initial non-refundable membership fee of \$75.
 - (c) Subscribe for a minimum of five (5) shares of a value of \$100.00 each.
 - (d) Pledge to purchase a minimum of five (5) shares of a value of \$100.00 each per calendar year.

Member who meets all above conditions shall hold membership shares and qualifies for the quarterly dividend as announced by the Cooperative. When a member enters into an occupancy agreement to purchase a house shall hold preferred shares that do not qualify for dividend.

REGULATIONS:

POLICY ON HOUSING UNITS:

- (1) Allocation
- (2) Conditions of Resale of Housing Unit Purchased by Exercise of Option
- (3) Occupancy Charges: Rent & Maintenance
- (4) Negligence/Breach of Agreement
- (5) Improvements, Additions & Expansions

(1) ALLOCATION:

- A. Housing units for occupancy and option to purchase by eligible members will be purchased by IHC. IHC will have title and be the owner of all the housing units until a member occupying a unit exercises his/her option to purchase the unit and pays IHC a purchase price equal to the price originally paid by IHC plus all legal and other costs associated with transfer of a unit to the member. Members will accumulate funds for the purchase by buying Class A Co-op Preference Shares. Members will be classified as follows:
 - (i) List A: Members who do not own a housing unit will be grouped into a list to be called "List A".
 - (ii) List B: Members who own a housing unit through
 - (a) conventional mortgage
 - (b) any other Islamic financial scheme will be grouped into a list to be called "List B".
 - (iii) List D: Members who are not actively participating in investing their funds in shares of IHC after a period of two years of registering as members and also those who do not update their records such as mailing address for a period of two years will be grouped into a separate list to be called "List D".
- B. When sufficient IHC funds are available, applications will be invited from the members on List A and B. Any member on List A or B who is interested in entering into an Occupancy Agreement with IHC should apply.
- C. An application called "Occupancy Statement" form will be used by members from both lists A and B. It will include detailed information pertaining to any housing unit the member may have it in mind to occupy a housing unit, with option to purchase, with the assistance of IHC.

In the case of members on list B applying to discharge their mortgage or loan, the member will provide IHC detailed and up-to-date residential status information as stated in the Occupancy Form.
- D. The eligibility and selection of List A and List B members will be based on the following criteria:
 - (i) List A and List B members must have bought or agree to buy Class A Co-op Preference Shares for a minimum aggregate price equal to twenty percent (20%) of the anticipated purchase price up to \$300,000, thirty percent (30%) of the anticipated purchase price between \$300,001 - \$500,000, and hundred percent (100%) of the anticipated purchase price above \$500,000 to IHC of the designated housing unit.

(ii) **The calculation of waiting time based on the following criteria**

(i) **Length of membership.**

(ii) **Date of submission of the Occupancy Form**

(iii) **Purchase price of the housing unit.**

(iv) **Existing mortgage balance, interest rate, amortization period and any prepayment penalty, if any (applicable to List B only).**

(2) CONDITIONS OF RESALE OF HOUSING UNIT PURCHASED BY EXERCISE OF OPTION:

- A. Until member exercises his/her option to purchase a housing unit occupied by him/her under an Occupancy Agreement, a member will not be allowed to sell or transfer any of his/her shares in the IHC except by arrangement with or consent of the Board of Directors.
- B. If a member, after purchasing a housing unit wishes to sell such housing unit, he/she must first inform the Executive Committee, which will notify qualified members in List A that such a unit is available for purchase. Members interested in purchasing such unit will deal directly with the owner.
- C. In as much as a member who exercises his/her option to purchase the housing unit occupied by such member at a purchase price equal to the original cost thereof to the Co-operative, (the "Original Cost"), the market value at time of purchase may exceed the price paid by the member. As a disincentive to any member who may be inclined to abuse the purpose of the Co-operative, which is to provide housing to members, not to enable a speculative gain by a quick sale of a housing unit purchased from the Co-operative, every such purchase shall be subject to a condition that upon any sale of the housing unit purchased from the Co-operative within one year from the date of purchase for a price exceeding the Original Price, the sum of five thousand dollars (\$5,000) shall be payable to the Co-operative.
- D. After commitment by IHC for the purchase of a housing unit for occupancy by a member, the member will be responsible for all expenses and losses incurred by the IHC if the member fails to execute and deliver to IHC an Occupancy Agreement and take up occupancy of the housing unit thereunder.
- E. All expenses associated with acquisition of a housing unit by IHC for occupancy by a member will be reimbursed to IHC by the member.
- F. The member may at any time exercise his or her option to purchase the housing unit occupied by him/her by written notice to the Co-operative. The member can provide funds for such purchase from any source including by redeeming his/her Class A Co-op Preference Shares or from other resources. Upon making such purchase the member will pay to the Co-operative's Purchase Price, being an amount equal to the original purchase price paid by the Co-operative regardless of any appreciation or decrease in the market value of the housing unit since the time of its purchase by the Co-operative.

REDEMPTION:

Investment shares can be redeemed according to the redemption policy of the Co-operative. Redemption policy can be obtained from the IHC office at the time of submitting membership application.

WAITING LIST:

Waiting list for the home buyers is applicable only when a member meets the minimum requirement stated in D(i) above. Prescribed waiting time is based on the point system as stated in (1.D ii) above and availability of funds.

Waiting Time: