

## Co-op Coalition Survey: Unit Assessment (10-2021)

14 co-ops responded.

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Sent: Mon, Oct 18, 2021 9:20 am

Subject: CO-OP SURVEY - UNIT ASSESSMENT (DUE 10-29)

A coalition member wants to know how other co-ops allocate their costs (operating and reserve) among their member units. This coop was 'sponsored' by HUD in the early 60's and uses a formula that is: the individual unit cost (in other words, the original unit sale price) divided by the total of all unit costs (which happened to be the original mortgage amount). Other methods include, but are not limited to:

a) Door fee plus allocation formula

b) Square feet

c) No of shares for an individual unit divided by the total number of shares for all units

1) Which method does you coop use? How long have you used this method?

2) Has this been since the start of your coop? If not, when and why did it change?

3) What factors went into setting the original cost or the number of shares? Floor? View? Elevator location? Cross-ventilation? Corner location? Balcony? What others?

4) If you have had a special assessment, was the same formula used? If not, what was used?

Thanks in advance for helping another coalition member. Responses are due Friday, October 29, 2021.

Best regards,

Janet Sten, Director

DC Cooperative Housing Coalition

[www.CoopsDC.org](http://www.CoopsDC.org)

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<p>&lt;30 units</p>	<p>1) Which method does your coop use? How long have you used this method? <b>Since we only have 4 apartments and they are all the same size, we merely divide all assessments, operating and reserves by 4.</b></p> <p>2) Has this been since the start of your coop? If not, when and why did it change? <b>To my knowledge over the past 10 years, yes, always equally shared between the 4 of us</b></p> <p>3) What factors went into setting the original cost or the number of shares? Floor? View? Elevator location? Cross-ventilation? Corner location? Balcony? What others? <b>N/A</b></p> <p>4) If you have had a special assessment, was the same formula used? If not, what was used? <b>Yes, we have had 2-3 assessments since I moved in and all have been equal between the 4 of us.</b></p>
<p>&lt;30 units</p>	<p>1) Which method does your coop use? How long have you used this method? <b>Number of shares</b></p> <p>2) Has this been since the start of your coop? If not, when and why did it change? <b>Yes, since it started in the 1910s</b></p> <p>3) What factors went into setting the original cost or the number of shares? Floor? View? Elevator location? Cross-ventilation? Corner location? Balcony? What others? <b>Unknown</b></p> <p>4) If you have had a special assessment, was the same formula used? If not, what was used? <b>Same formula</b></p>
<p>&lt;30 units</p>	<p>We use (c) although we calculate all expected costs (operating and reserves) divide by total number of shares and post the per share cost.</p> <p>This method has been used since the inception of the coop.</p> <p>When we have the special assessment the same method is used. We calculate the per share cost.</p>
<p>&lt;30 units</p>	<p>Our building is owned by a corporation that has allocated a specified number of shares of its stock to each apartment, based upon square footage of the apartment. The monthly assessments are stated in a per-share amount, so they are directly related to the size of the unit.</p> <p>To my knowledge, this method has been used since the coop was formed in the late 1920s.</p> <p>Absent special circumstances, the same method would be used for a special assessment.</p>
<p>&lt;30 units</p>	<p>1) Which method does your coop use? How long have you used this method? <b>Our corporate charter set the total capital value of the corporation and allocated the value of each unit's share primarily based on square footage.</b></p> <p>2) Has this been since the start of your coop? If not, when and why did it change? <b>Yes, the capital valuations are written into the Certificate of Incorporation and are not subject to change.</b></p>

	<p>3) What factors went into setting the original cost or the number of shares? Floor? View? Elevator location? Cross-ventilation? Corner location? Balcony? What others? <b>In addition to square footage, there was some adjustment that increased a unit's value based on the floor and view from units on higher floors.</b></p> <p>4) If you have had a special assessment, was the same formula used? If not, what was used? <b>The percentage of a given share is the same formula used for allocating operating costs and special assessments.</b></p>
<30 units	<p>Our coop allocates costs according to shares. Each unit is associated with a specified number of shares that constitute a percentage of the total number of shares.</p> <p>This method has been in effect since the building was constructed.</p> <p>It apparently is based on square footage with larger units (multiple bedrooms or with sleeping porch) having more shares. Additionally the floor is taken into account in the share distribution.</p> <p>This formula is used for all outgoing and incoming money including special assessments and for expenditures that do not involve all units, eg infrastructure repairs in one tier only.</p>
30-50 units	<p>For our co-op, we allocate all costs on the basis of shares. The shares seem to be related to square footage.</p> <p>The shares for each unit were established many decades ago and there has never been any discussion of changing them, in my memory. The system has probably been in place since the start of the Coop, which was in the 1920's.</p>
30-50 units	<p>Capital shares were determined when the building went coop, which I believe was back in the 50's.</p> <p>I can't say for sure how the shares were determined; but size was a factor, as was floor. Ground floor units, which are zoned commercial, pay more, about twice as much as upper floors; and higher floors pay a little more.</p> <p>None of this has anything to do with number of votes, which is tied to the number of units.</p>
30-50 units	<p>1. We use a par value (this is a non-stock corporation). The original value for the building was \$550,000 and each unit was assigned a value as a portion of that (i.e. \$10,000). This may or may not have corresponded to the original sale price. Units pay co-op fees based on their percentage of the par value. For instance, a unit with \$10,000 value would be 1.818% of the \$550,000 total.</p> <p>2. We have used this since the conversion in 1949. The percentages did change when we sold off two of the units the building retained as rentals. At that time, percentages were redistributed slightly. However, the original par values were not re-calculated.</p> <p>3. The factors were primarily the size of the apartments. We do not distinguish between level location for most units. However, the top floor, which was not originally apartments was given a lower par value in the conversion and basement apartments were as well. The view, elevator location, cross-ventilation, corner location etc. do not seem to have factored in.</p> <p>4. For special assessments, we use the same percentage values we use for fees.</p>
165+ units	<p>1. c, since 1929</p> <p>2. from the beginning of times</p> <p>3. Higher floor five more shares.</p> <p>4. Same formula for all costs</p>

165+ units	<ol style="list-style-type: none"> <li>1. C</li> <li>2. Yes, since the beginning.</li> <li>3. The developer made that decision at the beginning. No idea of the rationale. I have been managing property in the DC area for 30 years and this question comes up frequently from properties where anything but square footage is used. Very few developers explained their rationale for the shares or percentage of interest (condos) they assigned.</li> <li>4. Same. By shares.</li> </ol>
165+ units	<p>Our costs/common charges are allocated based on square footage.</p> <p>We have used this method since we converted from a rental building to a coop.</p> <p>There are no other factors that go into our allocation method.</p>
165+ units	<p>Each unit fee is determined by the square footage and number of shares. Real estate taxes are split based on the number of shares. Utilities and Insurance expenses are based on square footage. All other expenses are equally split among all units.</p>
165+ units	<ol style="list-style-type: none"> <li>1. We use the no of shares for an individual unit divided by the total number of shares for all units.</li> <li>2. Yes. Since the beginning</li> <li>3. Unit size and floor location</li> <li>4. Yes, the same formula was used.</li> </ol>