



COOPERATIVE OWNERSHIP & FINANCIAL CONSIDERATIONS FREQUENTLY ASKED QUESTIONS

Highland Green owners are shareholders in a housing corporation and are represented by a cooperative board of directors guided by professional management that helps make decisions that shape the community.

While very similar to other forms of property ownership where you can sell your home at current market prices and deduct any mortgage interest or real estate taxes, cooperative ownership at Highland Green offers many other unique benefits.

You maintain the interior of your custom Highland Green home but you cooperatively share in the cost of such things as routine scheduled lawn care and snow removal; scheduled exterior maintenance such as repainting; inspection of your built-in safety systems; insurance on the structure of your home and use of the Community Center and all of its amenities. In other words, cooperative ownership and Highland Green's low-maintenance lifestyle allows for less time spent worrying about taking care of your home and more time enjoying your life.

The cooperative structure is the financial platform on which Highland Green was built and allows it to be a unique community. It ensures that the community evolves in accordance with the original vision of our founder with approval of co-op owners.

The contractual long-term management agreement between the cooperative and the founder allows for stability throughout the development of Highland Green, unlike a condominium development where there can be frequent changes in management.

With over 20 years of experience since the community was founded, the Highland Green cooperative shareholders and Highland Green Management have created a finely run operation, which offers not only financial strength but a stable reserve plan for the future.

Cooperative ownership at Highland Green; A partnership for success:

- A founder with a long track record of successfully managing thriving planned communities.
- A management team with the leadership and vision to guide the Highland Green residents.
- A marketing staff dedicated to excellence and to cooperation with residents to exhibit pride in the community and to promote, support, and influence the growth of the Highland Green community and lifestyle.
- A group of owners bringing their considerable talents and diverse backgrounds to bear to help ensure lasting value in the community and take pride in collective well-being.

QUESTIONS

Q. Is there a monthly fee associated with Cooperative Ownership?

A. Yes, owners pay a monthly fee that contributes to an operational budget, management, ground lease, common area maintenance, insurance, and contributions to a strongly planned replacement reserve fund for capital expenditures such as repainting of homes.



QUESTIONS CONTINUED

Q. Do I have any say about services and fees?

A. Yes, owners are represented by a volunteer and resident-elected Cooperative Board of Directors who, together with the Management Company, makes decisions that govern and shape the community.

Q. How are the fees established?

A. The expert staff of the Management Company creates a cooperative budget, which is reviewed by a resident Budget Committee. Their goal is to determine a monthly fee that accurately represents the expenses necessary to maintain appearance, value, and a top-class community, while controlling costs. Ultimately, the fees must be voted on and approved by each Coop's Board of Directors.

Q. Is the community financially stable?

A. Yes. The co-ops at Highland Green have assumed full financial responsibility for their collective assets and have embraced a detailed reserve study designed to fully cover expenses going into the future. Funding and enhancement of reserves helps to avoid any special assessments in the future.

Q. Is the community well managed?

A. Yes. Highland Green Management brings decades of experience in successful community management. The management team helps guide the cooperative boards in making decisions and meets with committees in order to promote and ensure the strength and stability of the community.

Q. Is there a fee when it is time to sell my share? How does the resale process work?

A. When it comes time to sell your home at Highland Green, there is a transfer fee equal to 8% of the contract price. For Quarry Phase 1, the newest co-op phase, homeowners, the fee is 10%, with the additional 2% being reinvested in the Quarry Phase 1 reserve fund.

For you as the shareholder, that means that you keep either 90% or 92% of all appreciation and equity from the sale of your Highland Green home. Unlike entrance fee models offered by some communities, this market-based approach provides shareholders with the possibility of the highest possible return on their investment.

In return for this fee, the Sales & Marketing office provides the following services:

- Coordinate and sponsor all marketing, advertising, professional photo shoot, Open House events and other publicity initiatives to promote the sale of your home. The sales team will also provide advice and resources that may help you prepare your home for sale.
- Identify your Buyer and oversee and coordinate building inspection and appraisal process.
- Perform closing and legal work.
- Since Highland Green is a cooperative form of ownership and not real estate, as a Buyer or Seller you are not subject to the Maine State Transfer Tax, recording fees, and other charges that are associated with a real estate closing.



SUMMARY OF SERVICES

At Highland Green, your cooperative fees contribute to common services and amenities which are designed to protect the appearance and value of your community and allow you to spend more time securely enjoying life. While each cooperative neighborhood has a slightly different monthly fee, these services are common to all owners.

1. Maintenance
 - a. Routine scheduled lawn care and approved landscaping
 - b. Snow removal for roads, sidewalks, driveways and walkways of each home
 - c. Scheduled trash removal and recycling
 - d. Scheduled exterior home maintenance including repainting and re-roofing
 - e. Monitoring of smoke, fire, and low temperature sensors by Cunningham Security.
 - f. Annual scheduled inspection performed on security, fire and sprinkler systems
 - g. Routine maintenance of lawn sprinkler system
 - h. Property, Casualty and Liability Insurance on the structure of the homes
2. Property, Casualty and Liability Insurance on the common buildings and land
4. Use of Community Building and Amenities
 - a. Unlimited use of Community Center – gathering room, conference room, kitchen, exercise and aerobic rooms, locker rooms, tennis court, bocce court, swimming pool
 - b. Use of gathering room for private functions
 - c. Scheduled inside and outside maintenance of community center building, including pool, tennis and bocce court
 - d. Invitations to Special Events
 - e. Scheduled housekeeping for entire community center building
 - f. Scheduled trail system maintenance
 - g. Supplies for all Community Center restrooms and locker rooms
 - h. Routine maintenance of Community Center kitchen equipment

2024 Monthly Fees*	Phase I	North Phase I	North Phase II	South Phase	North Phase III	Quarry Phase I
Operations	\$692.00	\$692.00	\$692.00	\$692.00	\$692.00	\$775.00
Ground Lease	\$430.80	\$390.64	\$389.43	\$377.26	\$429.59	\$425.00
Reserves	\$385.20	\$265.36	\$275.57	\$330.74	\$235.41	\$122.00
Total Monthly Investment	\$1,508.00	\$1,348.00	\$1,357.00	\$1,400.00	\$1,357.00	\$1,322.00

*Monthly fees subject to change and alteration by Cooperative Boards of Directors.

Additional Considerations (all figures are purely estimates)

- Monthly utilities for owners average roughly \$190 to \$230 for natural gas and \$130 for electricity over a 12-month period, depending on gas price and usage
- Property taxes range on average between \$3,000 and \$5,000 semi-annually
- Cable television varies based on choice
- Phone varies according to carrier and plan
- High speed Internet access varies by plan
- Water and sewer estimated at \$110 to \$206 per quarter
- Costs for maintaining interior of homes, and personal resident garden areas



**SAMPLE OF ANNUAL ESTIMATED COSTS OF LIVING –
Utilities, Taxes and Co-op Fee**

“Gardens Glory” - 1,867 SF

Property Taxes:	\$6,510
Co-op fees:	\$1,400/month
Natural Gas:	\$2,171
Electric:	\$1,009
Water Sewer:	\$444
Annual Total:	\$26,934
Monthly Budget:	\$2,245

“Sparrow’s Nest” – 2362 SF

Property Taxes:	\$6,912
Co-op fees:	\$1,508/month
Natural Gas:	\$1,981
Electric:	\$877
Water Sewer:	\$590
Annual Total:	\$28,456
Monthly Budget:	\$2,371

“Maple Wood” - 2,734 SF

Property Taxes:	\$9,028
Co-op fees:	\$1,357/month
Natural Gas:	\$2,136
Electric:	\$1,140
Water Sewer:	\$756
Annual Total:	\$29,344
Monthly Budget:	\$2,445

“Hummingbird Way” – 2,634 SF

Property Taxes:	\$6,640
Co-op fees:	\$1,348/month
Natural Gas:	\$1,950
Electric:	\$1,680
Water Sewer:	\$504
Annual Total:	\$26,950
Monthly Budget:	\$2,246

*Budgets derived from actual resident figures in 2022.



HIGHLAND GREEN RESIDENT VS. COOP REPAIR RESPONSIBILITY LIST

Resident Responsibility

AC units (visible) must be painted in standard color
Appliances
Ceilings
Circuit breakers and meters
Decks, terraces, cement slabs
Door and window locks and hardware
Draperies, curtains and blinds
Fences on resident's Lot
Fire sprinkler system (Interior)
Fire alarm system maintenance and repairs
Floors and finishes
Generators
Gutters
Heating, plumbing, gas fixtures and conduits including exterior flues, chimneys and active vents (dryer)
HVAC
Interior walls and coverings
Landscape services beyond the scope of Coop contract
Leaks (exterior) and resulting damage due to post-closing installation; Ex. Roof leak, caused by solar panels or satellite dishes
Lighting and electrical fixtures (except exterior light post)
Maintenance of Unit (includes sheetrock, framing and insulation to the siding)
Pipes and wiring (inside and outside walls) but not beyond outside piping
Plantings in excess of initial landscape specifications (1 year developer warranty) and post-closing planting
Exterior maintenance on all post-closing construction/additions
Post-closing equipment and its conduits including satellite dish and other receivers
Screens
Shutters
Solar panels

Coop Responsibility

Bocce Court
Common and Coop street light poles/lights
Common and Coop roads, curbs, sidewalks
Community Center, contents, parking, pool, grounds
Drainage, utility infrastructure, fire security lines and water hydrants
Exterior leaks and resulting damages (except those caused by resident installation/additions)
Exterior lights on structure (bulb is resident resp.)
Exterior light post (bulb is resident resp.)
Home and Common Grounds:

- All common area plantings and design
- Common and home irrigation system

Mailbox and post
Resident driveway, walkway and entrance stoops
Resident home exterior (original construction):

- Siding, trim, and fake vents
- Roof shingles, flashing
- Garage doors (opening system is resident resp.)
- Entrance and terrace doors, frames, bulkheads
- Sashes and sills
- Windows, window panes, window frames, seals
- Original porch enclosures (resident is responsible for removable screen panels, removable plexiglass or glass panels and all exterior maintenance on all home additions)

Pump stations
Retention ponds
Snow & trash removal
Tennis courts
Village Drive entrance features

The expenses identified as "Coop Responsibility" are included in the Coop monthly fees and assessments. The expenses identified as "Resident Responsibility" shall be the responsibility of the Resident, except that a Coop Board may elect otherwise. For example, a board may elect to treat certain costs that would otherwise be "Resident Responsibility" as "Coop Responsibility" provided that such additional services are made available generally to all Residents of the Cooperative. Certain construction defects may be covered by the limited one-year warranties provided by the construction companies and their subcontractors and by the developer of Highland Green. If any Resident has an issue which may be a construction or materials defect, please report it to the Director of HG Operations for review as to whether it is covered by any warranty. This Responsibility List is intended as a quick reference guide. However, nothing on this list shall operate in any way to change any of the terms and provisions of the Proprietary Leases or other Cooperative documents.