

Hiawatha Cooperative

Resident-owned since September 2026

Welcome Applicant!

Thank you for your interest in buying a home in The Hiawatha Cooperative. This is a Resident Owned Community (ROC), which means the people who live here own the park together as a cooperative business. If you decide to move into the Hiawatha Cooperative you will need to become a member of the cooperative. Living in a cooperative community has many benefits but also comes with responsibilities. Being a member means more than just paying your rent on time – it also requires you volunteer time to be involved with the community.

Enclosed are copies of our new member criteria and criminal background criteria for your information.

This Cooperative:

- is incorporated under the laws of the state of MN State Statutes, Chapter 308B.
- is organized as a corporation for the mutual benefit of its members and to keep the community affordable long-term for low- and moderate-income people.
- is governed by a volunteer Board of Directors, who must comply with all applicable state laws pertaining to Fair Housing, Corporations, Cooperatives and Manufactured Housing Parks.
- owns the land and is responsible for debt on land, real estate taxes, co-op liability insurance, roads, water and waste-water systems, major repairs and upkeep.
- leases lots to members on a long-term basis and receives monthly carrying charges, in the form of lot rent.

The Members:

- own their own homes. Membership is voluntary at time of conversion from investor-owned to resident-owned. New people moving in must become co-op members.
- hold a membership interest in the cooperative, consisting of an ownership share in the cooperative.
- enter into an Occupancy Agreement with the cooperative corporation, which binds members to the co-op's Bylaws and Community Rules.
- are entitled to one vote per household and have a voice on 'big picture' matters affecting the cooperative.
- exercise control at membership meetings by making major policy decisions, approving the annual budget and financial statements, electing Board Members, and amending the Bylaws and Community Rules, as needed.
- exercise control over the management of the co-op by serving on committees and the Board of Directors.
- participate in the overall management of the cooperative and the community by donating their time and talent to various volunteer efforts in the community. The cooperative has hired a full-service management company to help manage the day-to-day operations of the community.
- can be expelled from membership, and/or evicted for significant infractions of Community Rules, for obstructing co-op function, or for non-payment of carrying charges (lot rent) or fees, etc.
- have a right to sell their homes in place to a buyer who qualifies for and becomes a member of the co-op and is an owner-occupant.

We welcome questions about our cooperative community! Please contact Board President Rachel Elwell by text at 507-206-8763 if you have more questions about the application process.

Sincerely,

The Hiawatha Cooperative Board of Directors

HIAWATHA COOPERATIVE

New Member Criteria

To live in our community, we require that each applicant and adult occupant meet certain criteria. State law allows for community approval of new residents before they move into the park. The Hiawatha Cooperative Board of Directors will make a decision on your application for residency within fourteen (14) days of receiving a completed application form unless we give you a written explanation of the reasons for any delay. Before you complete our application, we recommend that you review these requirements to determine whether you meet the requirements.

The term "Applicant" provided below applies to the owner of the home, and to all adult residents who will be listed on the Occupancy Agreement. Please note that these are our criteria, and nothing contained in these requirements shall constitute a guarantee or representation by the board of directors or management regarding the acceptance of any application.

Our ability to verify whether these requirements have been met is limited to the information we receive from the various resident credit reporting services used.

All applications will be approved on the following basis:

1. Applicant(s) must be at least 18 years of age

2. Occupancy guidelines

- a. A **\$__35.00_ non-refundable application fee** per adult applicant is required for processing. The application fee is non-refundable.
- b. One applicant must have an ownership interest **and must be named on the title of the home**, and the home must be the applicant's residence.

3. Employment/Income History

An applicant's past and present performance in meeting financial obligations is one of the components by which an applicant will be considered. We require applicants to submit proof of income.

- a. Applicant must have two (2) continuous years of verifiable employment or other verifiable income (Social Security, Disability, Pension, etc.) Self-employed applicants must provide a financial statement from a CPA or two (2) previous year's tax returns.
- b. A minimum take home pay (net) of **\$1,500 per month**.

4. Rental History

- a. Applicant must provide two (2) years of verifiable rental history. An application will not be approved if there are any unlawful detainers, or an outstanding balance to any community or mortgage company.
- b. Additionally, applicants may not have prior evictions or a history of default in lease obligations or community policies. Hiawatha Cooperative will contact previous landlords, and the following information will be verified: length of residency, consistency and timing of payments, adherence to community policies, proper vacating notice was given. Should there be a balance or a failure to fulfill a lease contract with another community, the applicant will need to provide a written statement from the owner, management, or mortgage company that the balance has been settled.

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5. Credit

- a. A minimum credit score of 600.
- b. Applicants who do not have established credit reported on their credit report, or do not

have a score, will be evaluated through proof of positive payment history from three 'non-traditional' or 'alternative' credit sources. Non-traditional/alternative credit sources include, but are not limited to, rent, car insurance, utility, phone, cable/internet bills, etc.

- c. If any unfavorable credit references are the result of a financial hardship, the Board of Directors may, at their own discretion, waive any or all of the above referenced creditworthiness guidelines. In such cases, the applicant(s) will be required to provide documentation and/or a letter of explanation of such hardship or catastrophe.

6. Criminal

- a. All applicants 18 years and older are required to submit to a Criminal Record search.
b. See **Criminal Background Criteria**.



Hiawatha Cooperative adheres to Fair Housing Law (Title VII of the Civil Rights Acts of 1968 as amended by the Housing and Community Development Act of 1974 and the Fair Housing Amendment of 1988) which stipulate that it is illegal to discriminate against any person in housing practices because of race, color, religion, sex, national origin, disability, or familial status.

I (We) certify that the Hiawatha Cooperative will perform the necessary credit, criminal, and employment history checks on me (us), the applicant(s).

I have read and understand the application criteria of the Hiawatha Cooperative.

Applicant Signature _____ Date _____

Applicant Signature _____ Date _____

These application criteria were approved and adopted on August 13, 2026.

The foregoing is a true and accurate account, attested by the Board's Secretary.

Signature

Karen Bambenek
Print Name

Hiawatha Cooperative Criminal Background Criteria Policy

All applicants 18 years and older are required to submit a State of Minnesota Criminal Record or a Criminal Record from the state in which they currently reside, or from any state in which they have previously lived during the past seven (7) years.

Under the Federal Fair Housing Act, tenant screening procedures must be designed so that they do not have a disparate impact on members of any protected class. Tenant screening must be crafted to screen out only those individuals who are objectively likely to have an adverse impact on their neighbors. In order to comply with the Fair Housing Act, all reviews of past criminal activity must comply with the following policies.

1. **Consider Only Convictions.** The fact that a person was charged with a crime but not convicted should not be considered in any way in screening tenants. Only actual convictions may be considered.
2. **Type of Crime.** Individuals convicted of nonviolent crimes that present no risk to a community should not be excluded from membership automatically. Only individuals convicted of assault, rape, a hate crime, murder or another violent or sex crime, of the illegal manufacture or distribution of a controlled substance as defined in Section 102 of the Controlled Substances Act (21 U.S.C. Section 802), or of any other crime that poses a significant threat to the health, safety, security or right to peaceful enjoyment of the community or its members may serve as the basis for rejecting an application for membership.
3. **Time from Conviction.** Studies have shown that after six or seven years, the likelihood that a person convicted of a crime will reoffend is no higher than that of a person without a criminal history. For that reason, any conviction that occurred more than seven (7) years prior to the time that a person is being screened should be ignored and may not serve as the basis for rejecting a person's application for membership.
4. **Deferrals.** If an applicant has been arrested for a crime that would pose a risk to the community or its members as described in Section 2., above, or a warrant for the arrest of the applicant for such a crime has been issued, but there has not yet been a determination of the applicant's guilt, the Board of Directors may defer a decision on the applicant's membership until a determination of guilt has been made.

If any of the above-mentioned *criminal convictions are the result of special circumstances which merit consideration*, the Board of Directors may, at their own discretion, waive any or all of the above referenced criminal background criteria guidelines. In such cases, the applicant will be required to provide documentation or a letter of explanation of such circumstances.

This policy was approved and adopted on August 13, 2026.

The foregoing is a true and accurate account, attested by the Board's Secretary,

_____ (printed name) Karen Bambenek