

Housing Cooperative Comparisons

	Cooperative	Rental	Single Family	Condominium
Ownership	The residents are shareholders in a corporation that owns the property. Owning a share entitles you to occupy a unit	Tenants own nothing. On expiration of the lease, tenants may be forced to vacate.	Owners acquire individual title to their dwellings and yard.	Unit "airspace" owned by individual, plus an undivided share of common elements.
Monthly Cost	Members pay their Co-op for their share of the actual operating cost, building mortgage, and real estate taxes, based on the non-profit operation of entire community.	Tenants pay rent as specified in lease.	Owner must make his or her purchases of whatever is needed, often at higher retail costs. Owner makes mortgage and tax payments to lender.	Same as cooperative, except mortgage payments and taxes are paid directly to the lender.
Move-in Cost	New members buy their share in the cooperative and also pay the first monthly maintenance fee in advance.	Usually one month's rent is paid as a security deposit, plus the first month's rent.	Purchaser must buy the property, usually with a mortgage with a down payment of at least 5% and closing costs of 3% or more.	Same as single family, plus first month's condo fee and often a "contribution to capital" of 1-2 months' fee.
Community Control	Co-op resident members elect their board of directors, which decides all policy matters. The Board usually sets up several committees to help run the community.	Renters usually have no voice at all in establishing and maintaining community standards.	Individual owners have no jurisdiction over their neighbors.	Condo owners, like cooperatives, elect a board of directors.
Community Service	Co-ops provide a natural base for service and activity desired by its members.	Provided at discretion of landlords.	On your own.	Condos are similar to co-ops in this, unless limited by state law.
Federal Tax Benefits to Individuals	Your share of mortgage interest and real estate taxes are deductible on personal income tax return.	No benefit.	Mortgage interest and real estate taxes are deductible on personal income tax return.	Mortgage interest and real estate taxes are deductible on personal income tax return.