



PRESIDENTIAL APTS.

1026 16th Street, N. W., Washington, D. C.

COOPERATIVE HOME OWNERSHIP

*Sales Office
Presidential Apartments
STerling 8-6561
STerling 8-6562*

*Presented by the
Edmund J. Flynn Company
(Cooperative specialists since 1920)*

*General Offices
Washington Building
Washington 5, D. C.
NAtional 8-9665*

FOREWORD

Opportunities for gracious living in downtown Washington (as in all other large cities) are dwindling rapidly as the needs of the commercial community prevail. The search for superior residential accommodations in town is all too often useless. And if the downtown dweller should chance upon the very thing he wants, he is confronted with the inevitable -- a steadily increasing rent, and ultimate dispossession when the time becomes propitious to put the property to commercial use.

Co-operative ownership is the obvious solution to this dilemma. The pooled purchasing power of a co-operative group makes possible the acquisition of a fine downtown residence, and its operation and maintenance at cost, in the luxury, comfort and security of permanence that only home owners can enjoy.

The Co-operative sale of the Presidential Apartments is a most felicitous example of the sound application of co-operative principles to a downtown situation. The location, at 16th. and L Streets Northwest, opposite the Statler Hotel, needs no elaboration. It is manifestly ideal.

Designed for gracious living, built when generosity in space and excellence in structural materials were in vogue among Washington's better builders, and recently centrally air conditioned, the Presidential combines the best features of two generations in offering superior living accommodations for the discerning home owner.

The unexcelled location plus the fact that Washington's downtown ground values are steadily on the rise are powerful guarantees of the soundness of an investment in the Presidential Apartments.

THE FLYNN 100% CO-OPERATIVE PLAN

This attractive plan for co-operative ownership has proved unfailingly successful in the Washington area since its inception in 1920. During this period it has been applied to more than forty residential buildings -- including such well known and large developments as the Broadmoor, Hampshire Gardens, the Ontario, and the Potomac Plaza Apartments -- without a single failure, even in the depression years of the thirties. This remarkable record has gained the Flynn Plan national acclaim and is the gratifying result of the conservative financing and safeguards by which it is characterized.

By 100% Co-operative it is meant that the co-operative organization will commence business with full membership subscribed -- a responsible owner for every co-operative unit. This plan differs from many so-called co-operatives in that it operates as a nonprofit

organization without dependence on speculative income from rentals in order to remain solvent. Also, under the Flynn Plan the price quoted to you as a prospective buyer is the true and full cost of the building and the land -- the cost of the property as a whole, including the mortgage, is fairly distributed to all units.

Under this co-operative plan, an owner in the Presidential Apartments will own his space in perpetuity -- he will enjoy every prerogative of an individual owner that is consistent with a well organized mutual ownership enterprise. He will have, as well, the additional valuable right to select his neighbors.

The Plan of Organization, Subscription Agreement and Schedule of Prices, Terms, and Budget which follow give complete information on the unit in which you are interested -- how it is bought and financed.

PLAN OF ORGANIZATION

The Edmund J. Flynn Company, hereinafter referred to as the "Optionee", has entered into an agreement with the owners of this property making it possible for the Optionee to offer the property for sale upon a co-operative home ownership plan.

A corporation, The Presidential Owners, Inc., hereinafter referred to as the "Corporation", will be formed by the Optionee, modeled on "The Flynn 100% Co-operative Plan". The Corporation will be a nonstock, nonprofit membership organization with membership confined to owners of Cooperative Ownership Contracts. A separate such contract shall be issued for each apartment and each ground floor unit in the building. When approved subscriptions have been obtained and settlements effected thereon for apartments or ground floor units whose aggregate in price equals at least 85% of the total sales price of the property, the Optionee will cause the property to be deeded to the Corporation, will receive in exchange therefor all of the aforesaid Cooperative Ownership Contracts and the proceeds of all initial deed of trust financing to be placed by the Corporation, will issue said Cooperative Ownership Contracts to purchasers of individual units who have been approved for occupancy, and will receive in exchange the cash payments made by such subscriber-purchasers. The Optionee at settlement will retain 5% of the total sales price and will pay the balance to the owners in settlement of its agreement with them. In order that there be no burden, actual or potential, of unsold apartments upon co-operative purchasers, the Edmund J. Flynn Company, as Optionee, has agreed to purchase any apartments or ground floor units for which no subscriptions have been obtained prior to settlement with the Corporation. The Edmund J. Flynn Company reserves the right to increase the price of any units so held by it after settlement above the prices shown in this offering.

The aforesaid purchasers shall be "Active Members" of the Corporation and as such shall be entitled to one (1) vote in the management of the affairs of the Corporation for each Cooperative Ownership Contract owned. In the future, those who acquire Cooperative Ownership Contracts by purchase, transfer or otherwise but who have not secured approval for, and are not, there-

fore, entitled to occupancy rights shall be "Equity Members" and as such their right to vote shall be limited to matters pertaining to any amendment to the certificate of incorporation, the sale or mortgage of corporate property, or the dissolution of the Corporation. Thus, an owner may freely sell, transfer or pledge his contract, but those who acquire the same by reason of such sale, transfer or pledge must secure prior approval of the Board of Directors before gaining occupancy and full voting rights. A balance in interest is thus attained between the Corporation's desire to secure financially sound and congenial occupants and the member's freedom and ability to deal with his unit as an outright owner.

Before settlement all units will be sold at the prices shown in the accompanying Schedule of Prices, Terms and Budget. As shown in the aforementioned Schedule, sixty-six and two-thirds per cent (66-2/3%) of the sales price of each unit will be represented by deed of trust financing, and thirty-three and one-third per cent (33-1/3%) by the cash payment to be made by the subscriber at the time of settlement. The deed of trust indebtedness to be incurred by the Corporation is limited to sixty-six and two-thirds per cent (66-2/3%) of the sales price of the total number of units. Such deed of trust indebtedness will bear interest at a rate not to exceed six per cent (6%) per annum, will be payable in monthly instalments at a rate not to exceed \$6.25 per month per one thousand dollars (\$1,000) of loan and will mature not earlier than fifteen (15) years. As hereinafter more specifically set forth in the Subscription Agreement, purchasers shall have the right at time of settlement to make cash payments in excess of the required thirty-three and one-third per cent (33-1/3%).

The budget shown in the accompanying Schedule is an estimated budget of operating expenses for the Corporation for the first year. The expenses have been apportioned to each individual unit as a monthly charge as shown in the Schedule. The Edmund J. Flynn Company will enter into a contract to manage the property, under the supervision of the Corporation's Board of Directors, for ten (10) years, thus assuring the Corporation sound and experienced cooperative management.

The Corporation will bear all costs incidental to transfer of title, including examination of title, title insurance, tax certificates, conveyancing, notary fees, and recording charges, the same to be paid from the special operating assessment, hereinafter referred to. Real estate taxes, insurance fuel, water rent, utilities, etc., will be adjusted to the date of settlement. Each subscriber, at the time of settlement of his subscription agreement, shall pay to the Co-operative Corporation, a

special operating assessment amounting to two per cent (2%) of the price of his unit in addition to his regular monthly assessment. This special assessment will be deposited in the operating account of the Co-operative Corporation, thus providing the Corporation with ample funds with which to commence business, and with a substantial residue with which to make necessary repairs or replacements to the property deemed necessary or desirable.

SUBSCRIPTION AGREEMENT

THE UNDERSIGNED, having read and approved the Plan of Organization of "The Presidential Owners, Inc.", and the Schedule of Prices, Terms and Budget, which are hereby made a part of this agreement, agrees with Edmund J. Flynn Company (the Optionee) to purchase Apartment/Ground Floor Unit Number _____ on the _____ floor, containing _____

and to pay the full price of \$ _____ in the following manner:

FIRST, ten (10%) percent of the purchase price, amounting to \$ _____, in cash, check, or money order made payable to Edmund J. Flynn Company, upon execution of this agreement, which deposit shall be kept in a special account to be applied on account of the purchase price or, as hereinafter provided, returned or forfeited, as the circumstances may require.

SECOND, the undersigned agrees to pay \$ _____ in cash (less the deposit herein receipted for) at the time of settlement. The undersigned further agrees to make monthly amortization and interest payments on \$ _____, the balance of the purchase price, in the sum of \$ _____ per month, including principal and interest, at a rate not to exceed six (6%) percent per annum, said balance being the undersigned's proportionate share of the mortgage indebtedness of the co-operative that will be allocated to his apartment or ground floor unit. It is understood and agreed that, notwithstanding any references herein to "allocation" of mortgage indebtedness, the overall mortgage indebtedness of the Corporation shall constitute a paramount lien on the Corporation's property to which any and all rights of members shall be expressly made subordinate.

THIRD, at the time of settlement the undersigned agrees to pay to the co-operative corporation the first month's mortgage payment of \$ _____ as hereinbefore recited and further agrees to pay the first month's operating and maintenance assessment of \$ _____ and, in addition, agrees to pay a special operating assessment in the sum of \$ _____, said special assessment amounting to 2% of the purchase price of the Apartment or Ground Floor Unit subscribed for herein.

FOURTH, full settlement for the unit hereby subscribed for shall be made at the office of the Optionee, Edmund J. Flynn Company, 735 Washington Building, Washington, D. C., ten (10) days after the date of sending a notice requiring said settlement to the undersigned by registered mail to the address noted below.

If the purchaser shall fail to make full settlement in accordance with this agreement, the deposit made herewith may be forfeited at the option of the Optionee, in which event the purchaser shall be relieved from any further liability hereunder, or, without forfeiting the said deposit, the Optionee may take avail of any legal or equitable rights which may arise out of this agreement.

FIFTH, the undersigned shall have the right at time of settlement, and thereafter, as permitted by the terms of the financing to be secured, to make additional payment or payments on the unpaid balance of the Corporation deed of trust indebtedness allocated to this unit, and, in the event of such additional payment or payments, the monthly amortization and interest payments of the undersigned shall be accordingly reduced.

SIXTH, this subscription is made subject to the approval of a provisional committee, composed of the proposed original officers of the co-operative corporation, said acceptance and approval to be endorsed hereon in the spaces hereinafter provided for such purposes, and this subscription is also subject to the formation of the said "The Presidential Owners, Inc."; and the acknowledgement of the receipt of the aforementioned deposit by the Optionee is not to be construed as approval by the provisional committee. Should the said provisional committee fail to endorse approval hereon, or should said "The Presidential Owners, Inc." not be formed, or should the Optionee deem it unwise to continue with the sale of the building upon a co-operative basis, the right is given to the Optionee to cancel this subscription by mailing a valid check in full refund of said deposit to the subscriber at the address of the subscriber given below, and thereupon the Optionee and the Provisional Committee shall be fully discharged from any and all liability under this agreement.

SEVENTH, this apartment/ground floor unit is being sold subject to an existing tenancy as follows:

This agreement shall inure to the benefit of and shall be binding upon the parties hereto and their heirs, executors, administrators and successors.

In Witness Whereof, the parties hereto have signed their names this _____ day of _____, 1959, this agreement being executed in duplicate.

_____ (SEAL)

_____ (SEAL)

Subscriber

The above deposit is hereby acknowledged.

EDMUND J. FLYNN CO.

EDMUND J. FLYNN CO.

By: _____

Optionee

By: _____

SUBSCRIBER'S ADDRESS: _____

EMPLOYMENT: _____ PHONES: _____
Res. _____
Business _____

REFERENCES: Bank _____
Credit _____
Personal: 1. _____
2. _____

NAMES OF OTHER OCCUPANTS: _____

TITLE TO BE ISSUED IN THE NAME OF _____
_____ as _____

DATE _____ APPROVED BY PROVISIONAL COMMITTEE

By: _____

Authorized Member Provisional Committee

SCHEDULE OF PRICES, TERMS AND BUDGET

Ground Floor Unit No.	Ground Value	Building Value	Total Price	1/3 Cash	2/3 Mtg.	Monthly		Total Monthly Payment
						Mtg. Pay't	Op. Asmt.	
101	\$37,050	\$27,950	\$65,000	\$21,667	\$43,333	\$270.84	\$234.00	\$504.84
102	22,230	16,770	39,000	13,000	26,000	162.51	140.40	302.91
103	17,385	13,115	30,500	10,167	20,333	127.09	109.80	236.89
104	12,141	9,159	21,300	7,100	14,200	88.76	76.67	165.43
105	7,524	5,676	13,200	4,400	8,800	55.01	47.52	102.53
106	10,260	7,740	18,000	6,000	12,000	75.01	64.80	139.81
Apartment No.								
201	21,660	16,340	38,000	12,667	25,333	158.33	136.80	295.13
202	17,214	12,986	30,200	10,067	20,133	125.83	108.72	234.55
203	4,731	3,569	8,300	2,767	5,533	34.58	29.88	64.46
204	4,617	3,483	8,100	2,700	5,400	33.75	29.16	62.91
205	13,965	10,535	24,500	8,167	16,333	102.08	88.20	190.28
206	7,410	5,590	13,000	4,334	8,666	54.16	46.80	100.96
301	21,831	16,469	38,300	12,767	25,533	159.58	137.88	297.46
302	17,271	13,029	30,300	10,100	20,200	126.25	109.08	235.33
303	4,845	3,655	8,500	2,834	5,666	35.41	30.60	66.01
304	4,731	3,569	8,300	2,767	5,533	34.58	29.88	64.46
305	14,136	10,664	24,800	8,267	16,533	103.33	89.29	192.62
306	7,524	5,676	13,200	4,400	8,800	55.00	47.52	102.52
401	21,831	16,469	38,300	12,767	25,533	159.58	137.88	297.46
402	17,271	13,029	30,300	10,100	20,200	126.25	109.08	235.33
403	4,845	3,655	8,500	2,834	5,666	35.41	30.60	66.01
404	4,731	3,569	8,300	2,767	5,533	34.58	29.88	64.46
405	14,250	10,750	25,000	8,334	16,666	104.16	90.00	194.16
406	7,638	5,762	13,400	4,467	8,933	55.83	48.24	104.07
501	24,852	18,748	43,600	14,534	29,066	181.66	156.96	338.62
502	14,535	10,965	25,500	8,500	17,000	106.25	91.80	198.05
503	4,902	3,698	8,600	2,867	5,733	35.83	30.96	66.79
504	4,788	3,612	8,400	2,800	5,600	35.00	30.24	65.24
505	14,421	10,879	25,300	8,434	16,866	105.41	91.08	196.49
506	7,809	5,891	13,700	4,567	9,133	57.08	49.32	106.40
601	22,002	16,598	38,600	12,867	25,733	160.83	138.96	299.79
602	17,385	13,115	30,500	10,167	20,333	127.08	109.80	236.88
603	4,902	3,698	8,600	2,867	5,733	35.83	30.96	66.79
604	4,788	3,612	8,400	2,800	5,600	35.00	30.24	65.24
605	14,535	10,965	25,500	8,500	17,000	106.25	91.80	198.05
606	7,980	6,020	14,000	4,667	9,333	58.33	50.40	108.73
701	22,116	16,684	38,800	12,934	25,866	161.66	139.68	301.34
702	17,442	13,158	30,600	10,200	20,400	127.50	110.16	237.66
703	4,959	3,741	8,700	2,900	5,800	36.25	31.32	67.57
704	4,845	3,655	8,500	2,834	5,666	35.41	30.60	66.01
705	14,592	11,008	25,600	8,534	17,066	106.66	92.16	198.82
706	8,151	6,149	14,300	4,767	9,533	59.58	51.48	111.06
801	22,116	16,684	38,800	12,934	25,866	161.66	139.68	301.34
802	17,442	13,158	30,600	10,200	20,400	127.50	110.16	237.66
803	4,959	3,741	8,700	2,900	5,800	36.25	31.32	67.57
804	4,845	3,655	8,500	2,834	5,666	35.41	30.60	66.01
805	14,592	11,008	25,600	8,534	17,066	106.66	92.16	198.82
806	8,151	6,149	14,300	4,767	9,533	59.58	51.48	111.06
Total	*\$604,200	\$455,800	\$1,060,000					

*8,013 square feet of ground appraised at \$75.40 a sq. ft.

BUDGET

Housekeeping.....	\$ 800
Salaries.....	6,500
Insurance.....	1,400
Heat and Utilities.....	8,800
Taxes.....	10,000
Management.....	3,500
Administrative.....	500
Repairs and Maintenance.....	11,000
Contingency.....	3,292
Total.....	\$45,792

†Apt. 501 includes living room of original Apt. 502.