Membership Transfer Value (MTV)

FREQUENTLY ASKED QUESTIONS

What is MTV?	MTV stands for Membership Transfer Value. It is the maximum, pre-determined price for which the membership attached to a residential unit can be sold. This policy was established to ensure homes remain affordable for seniors and to prevent financial speculation within the community.
How is the MTV for a unit calculated?	A unit's base MTV is calculated by taking its original 1992 sales price and adjusting it by the percentage increase in the Housing/Shelter component of the Consumer Price Index for the Seattle-Tacoma Metropolitan area. It is important to note that the MTV serves as a price ceiling (a maximum), not a floor (a minimum).
How do upgrades or renovations affect a unit's MTV?	With prior Board approval, members may increase their unit's MTV by undertaking eligible upgrades, such as new flooring, cabinets, or countertops. These improvements are primarily intended for the member's enjoyment rather than for resale value.
Is the full cost of an upgrade added to the MTV?	Not entirely. Only the eligible costs of Board-approved upgrades can be added to the MTV. Furthermore, this added value depreciates at a set rate. After a period of years, the value from the upgrade is fully depreciated, and the unit's MTV returns to the base level of comparable units.
What are the primary benefits of the MTV system?	The MTV system is fundamental to our community's values. It helps keep our homes affordable, contributes to a more favorable real estate tax rate, and fosters a stable community of long-term residents.
Where can I learn more?	The concept of MTV is central to our co-op's structure. We encourage prospective members to ask questions and to thoroughly review our governing documents for a complete understanding.