

Life Lease Concept

THE SMART LIFESTYLE OPTION FOR TODAY'S SENIOR

Life Lease housing developments have been around for many years in Ontario and Canada. In more recent years, they have spread rapidly as Life Leases readily responds to the needs of a particular group with a common purpose.

Today's Life Lease housing developments are meeting the challenges faced by seniors. The home in which they raised their family is now too large, with both the necessary interior and exterior maintenance being too much to manage. The decision is not suited to their present physical needs. Although this property where they raised their family once suited their needs, now has become a burden and a constant source of frustration.

Another challenge is the changes that may have taken place in the neighbourhood – good friends and family have moved away so there is less companionship and fewer neighbours to rely on in case of a problem or an emergency. Given these and many other social and economic demands, seniors are looking for a housing option which reduces their worry and offers security and peace of mind, all in a community of shared values and lifestyles. **For many, Life Lease housing developments have come to their rescue.**

Life Lease projects look like condominium projects, with similar suite sizes, features and monthly fees, however, there is only one owner registered on title to the property. **In most cases, this owner is a not-for-profit or charitable organization which continues to own and manage the project to ensure that the Life Lease owners' interests are maintained. These organizations are referred to as the sponsor group.** Sponsor groups of Life Lease developments have included churches, multi-cultural groups, nursing and retirement home operators, service clubs and municipalities. Actual ownership and title of the Life Lease development remains in the name and under the protection of these non-profit organizations.

The sponsoring organization for this **Life Lease project** is **The Royal Canadian Legion** (a not-for-profit corporation). Actual ownership and title of the Life Lease development remains in the name and under the protection of this non-profit corporation, which ensures high-quality management and long-term maintenance benefits for all residents.

The Royal Canadian Legion offers the resident a leasehold form of ownership versus condominiums or single-family homes that offer the owner a freehold form of ownership. Properly structured, both forms of ownership offer similar protection for the owners and both have advantages and disadvantages. For example, Life Leases can be registered on title to the property the same as a deed can be registered on a condominium or detached house. This registration protects the interests of the Life Lease resident/owner. **Life Leases permit the resident/owners more control than traditional condominiums since the future sale or transfer of the life interest must be approved by The Royal Canadian Legion.** This control is especially important in an adult community where resident/owners prefer to live with people of their own age and who share common interests.

When the owners, or their estate, wish to sell or transfer their lease, they receive the market value of their home, similar to a condominium or detached home. Therefore, it is the market that determines what the leasehold ownership or Life Lease is worth. **When selling your life interest in your home, you retain 95% of the market value of your Life Lease Home and 5% is paid to The Royal Canadian Legion for future endeavours.**

Once owners take possession of their new Life Lease Home, they pay a monthly fee, similar to a condo fee, which represents the owners' share of common costs including exterior maintenance (landscaping, snow ploughing, furnace, air conditioning and smoke alarm service, siding and window washing, eaves trough clearance, in-ground sprinkler system, automatic night lighting etc.), property management, property taxes, common areas insurance and more.

Residents no longer have to worry about exterior maintenance and safety. Each apartment is designed for independent living: bedroom(s), bathroom(s), kitchen, laundry, living/dining room are all on one floor, together with all the shared common area amenities included in **The Royal Canadian Branch.**

The Royal Canadian Legion residents live independently in a community of like-minded people in their neighbourhood and can sell their home at market value at any time. **Residents in The Royal Canadian Legion properties are protected with their investments in a similar manner to the equity growth in a single-family home. Now that's a smart lifestyle option!**

With thanks to Ms. Lesley Reid who inspired this re-write of her excellent Life Lease description for a project of The Rotary Club of Oakville, Woodside Mews (www.woodsidemews.ca).