

Schedule D

PRE-LEASE INFORMATION FORM – NON-PROFIT LANDLORD

THIS INFORMATION IS GIVEN TO YOU AS REQUIRED BY *THE LIFE LEASES ACT*

Proposed Residential Complex:	Name:
	Location:

Sponsor Organization: <i>(if applicable)</i>	Name:
	Address:
	Contact: Phone:

Landlord: (legal owner)	Name:
	Address:
	Contact: Phone:

Information Required By <i>The Life Leases Act</i>	<p>Under <i>The Life Leases Act</i>, your landlord must give you this form before accepting your pre-lease payment. This information will help you to make an informed decision about entering into a life lease. The information in this form is specific to this complex. This form is for your information only – it is not a contract.</p> <p>You should get as much information as you can about life leases and about the complex you are interested in. If you decide to enter into a life lease, the landlord must give you more information about your life lease and the complex, before you sign the lease.</p>
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About Life Leases and Entrance Fees	<p>Life leases are a unique form of rental housing. They are unique because tenants must pay an entrance fee to live in a life lease complex.</p> <p>The landlord usually uses the entrance fees of the first tenants of the complex to pay for a large part of the cost of building the complex. The landlord may also use this money to set up a fund to repay entrance fees to tenants when their tenancies end. The fund is called a refund fund. Tenants who enter into life leases after the complex is built also pay entrance fees. The landlord usually uses these entrance fees to repay tenants who end their tenancies and to maintain any refund fund.</p> <p>Most life leases are for the life of the tenant. Tenants can leave at any time, as long as they give 3 months' notice.</p> <p>Some landlords refund entrance fees at the end of tenancies. Others allow tenants to recover their own entrance fees by selling (assigning) their lease to a new tenant. Before you sign a life lease, the landlord must tell you how you can get your money back at the end of your tenancy. When refunding an entrance fee, the landlord cannot keep part of the money to cover the cost of repairing damage or replacing worn out items, like carpeting, unless, before the refund is due, a final order has been made under <i>The Residential Tenancies Act</i> that the tenant pay the landlord compensation for such costs.</p> <p>In Manitoba, people living in life lease complexes are tenants. They do not own their apartment/unit. Tenants have the right to select representatives to attend the landlord's board meetings, but their representatives do not have the right to vote unless the landlord gives them that right.</p>
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<p>About <i>The Life Leases Act</i></p>	<p>The Manitoba Legislature created <i>The Life Leases Act</i> to do 3 main things:</p> <ul style="list-style-type: none"> • require landlords to give tenants information about their life leases before paying a pre-lease payment and before paying an entrance fee. Landlords are also required to give tenants financial information about their complex at least once a year and to hold an annual meeting to discuss the information; • protect tenants' funds: <ul style="list-style-type: none"> - by requiring landlords that have not entered into any life leases before the Act comes into force to have a trustee hold the entrance fees of the first tenants to lease the units of the complex. The trustee will not release any funds until the landlord meets certain conditions e.g. having building permits and enough funding to finish the complex; - by requiring landlords that have not entered into any life leases before the Act comes into force to have a fund held by a trustee to refund entrance fees (refund fund), unless the landlord requires tenants to recover their own entrance fees by selling (assigning) their lease to a new tenant. Where landlords will have a refund fund, they decide what the initial amount in the fund will be. The Act does not specify the amount landlords must have in the refund fund; - by requiring non-profit landlords to establish a reserve fund for repairing and replacing heating systems, roofs and other major components. The <i>Act</i> does not specify the amount landlords must have in their reserve funds. • Amend <i>The Residential Tenancies Act</i> to make it apply more effectively to landlords and tenants of life lease complexes.
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Unit No. or Type Tenant is Interested In <i>(Attach schedule if necessary.)</i>	Estimated Entrance Fee	Estimated Monthly Rent
1.		
2.		
3.		

<p>Pre-Lease Payment:</p>	<p>If a landlord is thinking of building a life lease complex, the landlord will want to see if there are enough interested tenants. The landlord may ask you for some money as an “expression of interest”. This money is called a pre-lease payment. The landlord cannot accept more than \$1000 from you for a pre-lease payment. The landlord must hold the money in trust. If you enter into a life lease, the landlord will either refund your pre-lease payment or apply it to your entrance fee.</p> <p>Your pre-lease payment is not a deposit. It does not guarantee that the landlord will offer you a life lease. If the landlord does not offer you a life lease on a unit or type of unit in which you expressed an interest, by the Occupancy Date, the landlord must give you back your pre-lease payment. The landlord must also refund the money if the complex will not be finished by _____ <i>(State projected completion date.)</i>.</p> <p><i>(Insert the appropriate statement.)</i></p> <p>If you decide not to enter into a life lease, the landlord will refund your pre-lease payment.</p> <p>If you decide not to enter into a life lease, the landlord is not required to refund your pre-lease payment.</p>
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<p>Projected Completion Date:</p>	<p>If you agree to lease a unit, it must be ready for occupancy by _____ <i>(State the projected completion date.)</i>.</p> <p>If your unit is not ready within 30 days after that date, you can cancel the lease, unless the landlord believes that the delay was unavoidable and was not the fault of the landlord. The landlord can ask a judge of Court of Queen’s Bench for more time to complete your unit. If the Court does not give the landlord more time, the landlord will owe you a refund of your full entrance fee.</p>
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<p>Recovering Your Entrance Fee</p>	<p>If you enter into a life lease:</p> <p><i>(Insert one of the following as applicable to your complex.)</i></p> <ol style="list-style-type: none"> 1. The landlord will owe you a refund of <i>(Complete by entering “the full amount” or, if less, state the amount and the percentage of the full entrance fee.)</i> of your entrance fee when your tenancy ends. 2. You are required to recover your entrance fee by payment from a new tenant when you sell (assign) your life lease to a new tenant. 3. The landlord will owe you <i>(Complete by entering “the full amount” or, if less, state the amount or percentage.)</i> of your entrance fee by a refund from the landlord or, if you choose, you may sell (assign) your life lease to a new tenant and receive payment from that tenant.
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<p>Risk of Loss of Entrance Fee</p>	<p>Life leases are an innovative way to develop rental housing. But, you need to know there is a risk to your entrance fee.</p> <p>If real estate sales are slow, it can be difficult to sell a house or a condominium. Similarly, if few people are looking for life leases, it can be hard to find new tenants for life lease units.</p> <p><i>(Insert the following if all or part of entrance fee is refundable.)</i></p> <p>Normally, the landlord will refund your entrance fee from the refund fund or from an entrance fee paid by a new tenant. However, if the landlord cannot find new life lease tenants, and there is not enough money in the refund fund, you may have to wait to get your entrance fee back. It is possible you may not get some or all of it back.</p> <p><i>(Insert the following if tenants are allowed or required to assign their life leases.)</i></p> <p>If you are allowed or required to get your entrance fee back by selling (assigning) your life lease to a new tenant, you may not be able to find someone to take over your lease. If you do find someone, they may not want to pay you as much as you originally paid.</p>
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